

**Earnings Release Attachments
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EXELON CORPORATION
Consolidating Statements of Operations
(unaudited)
(in millions)

Three Months Ended December 31, 2017

	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
Operating revenues	\$ 4,654	\$ 1,309	\$ 729	\$ 813	\$ 1,121	\$ (245)	\$ 8,381
Operating expenses							
Purchased power and fuel	2,403	399	250	280	398	(222)	3,508
Operating and maintenance	1,421	332	211	184	292	(45)	2,395
Depreciation and amortization	412	220	73	125	164	21	1,015
Taxes other than income	130	73	38	61	108	8	418
Total operating expenses	4,366	1,024	572	650	962	(238)	7,336
Gain (Loss) on sales of assets	—	1	—	—	—	(1)	—
Gain on deconsolidation of business	213	—	—	—	—	—	213
Operating income (loss)	501	286	157	163	159	(8)	1,258
Other income and (deductions)							
Interest expense, net	(98)	(87)	(33)	(25)	(62)	(60)	(365)
Other, net	299	10	3	4	15	—	331
Total other income and (deductions)	201	(77)	(30)	(21)	(47)	(60)	(34)
Income (Loss) before income taxes	702	209	127	142	112	(68)	1,224
Income taxes	(1,585)	89	20	66	108	583	(719)
Equity in (losses) earnings of unconsolidated affiliates	(7)	—	—	—	—	1	(6)
Net income (loss)	2,280	120	107	76	4	(650)	1,937
Net income attributable to noncontrolling interests	65	—	—	—	—	1	66
Net income (loss) attributable to common shareholders	\$ 2,215	\$ 120	\$ 107	\$ 76	\$ 4	\$ (651)	\$ 1,871

Three Months Ended December 31, 2016

	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon Consolidated
Operating revenues	\$ 4,388	\$ 1,223	\$ 701	\$ 812	\$ 1,078	\$ (327)	\$ 7,875
Operating expenses							
Purchased power and fuel	2,221	317	238	300	410	(308)	3,178
Operating and maintenance	1,308	417	206	149	310	(19)	2,371
Depreciation and amortization	550	201	69	115	160	20	1,115
Taxes other than income	126	71	38	58	107	8	408
Total operating expenses	4,205	1,006	551	622	987	(299)	7,072
(Loss) Gain on sales of assets	(89)	—	—	—	(1)	1	(89)
Operating income (loss)	94	217	150	190	90	(27)	714
Other income and (deductions)							
Interest expense, net	(92)	(87)	(31)	(27)	(61)	(58)	(356)
Other, net	6	8	2	5	13	(1)	33
Total other income and (deductions)	(86)	(79)	(29)	(22)	(48)	(59)	(323)
Income (Loss) before income taxes	8	138	121	168	42	(86)	391
Income taxes	(3)	58	29	65	12	(25)	136
Equity in (losses) earnings of unconsolidated affiliates	(9)	—	—	—	—	1	(8)
Net income (loss)	2	80	92	103	30	(60)	247
Net income attributable to noncontrolling interests and preference stock dividends	43	—	—	—	—	—	43
Net (loss) income attributable to common shareholders	\$ (41)	\$ 80	\$ 92	\$ 103	\$ 30	\$ (60)	\$ 204

- (a) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company.
(b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

EXELON CORPORATION
Consolidating Statements of Operations
(unaudited)
(in millions)

Twelve Months Ended December 31, 2017

	Generation	ComEd	PECO	BGE	PHI	Other (a)	Exelon Consolidated
Operating revenues	\$ 18,466	\$ 5,536	\$ 2,870	\$ 3,176	\$ 4,679	\$ (1,196)	\$ 33,531
Operating expenses							
Purchased power and fuel	9,690	1,641	969	1,133	1,716	(1,114)	14,035
Operating and maintenance	6,291	1,427	806	716	1,068	(182)	10,126
Depreciation and amortization	1,457	850	286	473	675	87	3,828
Taxes other than income	555	296	154	240	452	34	1,731
Total operating expenses	17,993	4,214	2,215	2,562	3,911	(1,175)	29,720
Gain (Loss) on sales of assets	2	1	—	—	1	(1)	3
Bargain purchase gain	233	—	—	—	—	—	233
Gain on deconsolidation of business	213	—	—	—	—	—	213
Operating income (loss)	921	1,323	655	614	769	(22)	4,260
Other income and (deductions)							
Interest expense, net	(440)	(361)	(126)	(105)	(245)	(283)	(1,560)
Other, net	948	22	9	16	54	7	1,056
Total other income and (deductions)	508	(339)	(117)	(89)	(191)	(276)	(504)
Income (Loss) before income taxes	1,429	984	538	525	578	(298)	3,756
Income taxes	(1,375)	417	104	218	217	294	(125)
Equity in (losses) earnings of unconsolidated affiliates	(33)	—	—	—	1	—	(32)
Net income (loss)	2,771	567	434	307	362	(592)	3,849
Net income attributable to noncontrolling interests	77	—	—	—	—	2	79
Net income (loss) attributable to common shareholders	\$ 2,694	\$ 567	\$ 434	\$ 307	\$ 362	\$ (594)	\$ 3,770

Twelve Months Ended December 31, 2016

	Generation	ComEd	PECO	BGE	PHI (b)	Other (a)	Exelon Consolidated
Operating revenues	\$ 17,751	\$ 5,254	\$ 2,994	\$ 3,233	\$ 3,643	\$ (1,515)	\$ 31,360
Operating expenses							
Purchased power and fuel	8,830	1,458	1,047	1,294	1,447	(1,436)	12,640
Operating and maintenance	5,641	1,530	811	737	1,233	96	10,048
Depreciation and amortization	1,879	775	270	423	515	74	3,936
Taxes other than income	506	293	164	229	354	30	1,576
Total operating expenses	16,856	4,056	2,292	2,683	3,549	(1,236)	28,200
(Loss) Gain on sales of assets	(59)	7	—	—	(1)	5	(48)
Operating income (loss)	836	1,205	702	550	93	(274)	3,112
Other income and (deductions)							
Interest expense, net	(364)	(461)	(123)	(103)	(195)	(290)	(1,536)
Other, net	401	(65)	8	21	44	4	413
Total other income and (deductions)	37	(526)	(115)	(82)	(151)	(286)	(1,123)
Income (loss) before income taxes	873	679	587	468	(58)	(560)	1,989
Income taxes	290	301	149	174	3	(156)	761
Equity in (losses) earnings of unconsolidated affiliates	(25)	—	—	—	—	1	(24)
Net income (loss)	558	378	438	294	(61)	(403)	1,204
Net income attributable to noncontrolling interests and preference stock dividends	62	—	—	8	—	—	70
Net income (loss) attributable to common shareholders	\$ 496	\$ 378	\$ 438	\$ 286	\$ (61)	\$ (403)	\$ 1,134

- (a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (b) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company beginning on March 24, 2016, the day after the merger was completed.

EXELON CORPORATION
Business Segment Comparative Statements of Operations
(unaudited)
(in millions)

Generation

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016	Variance
Operating revenues	\$ 4,654	\$ 4,388	\$ 266	\$ 18,466	\$ 17,751	\$ 715
Operating expenses						
Purchased power and fuel	2,403	2,221	182	9,690	8,830	860
Operating and maintenance	1,421	1,308	113	6,291	5,641	650
Depreciation and amortization	412	550	(138)	1,457	1,879	(422)
Taxes other than income	130	126	4	555	506	49
Total operating expenses	4,366	4,205	161	17,993	16,856	1,137
(Loss) Gain on sales of assets	—	(89)	89	2	(59)	61
Bargain purchase gain	—	—	—	233	—	233
Gain on deconsolidation of business	213	—	213	213	—	213
Operating income	501	94	407	921	836	85
Other income and (deductions)						
Interest expense, net	(98)	(92)	(6)	(440)	(364)	(76)
Other, net	299	6	293	948	401	547
Total other income and (deductions)	201	(86)	287	508	37	471
Income before income taxes	702	8	694	1,429	873	556
Income taxes	(1,585)	(3)	(1,582)	(1,375)	290	(1,665)
Equity in losses of unconsolidated affiliates	(7)	(9)	2	(33)	(25)	(8)
Net income	2,280	2	2,278	2,771	558	2,213
Net income attributable to noncontrolling interests	65	43	22	77	62	15
Net income (loss) attributable to membership interest	\$ 2,215	\$ (41)	\$ 2,256	\$ 2,694	\$ 496	\$ 2,198

ComEd

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016	Variance
Operating revenues	\$ 1,309	\$ 1,223	\$ 86	\$ 5,536	\$ 5,254	\$ 282
Operating expenses						
Purchased power	399	317	82	1,641	1,458	183
Operating and maintenance	332	417	(85)	1,427	1,530	(103)
Depreciation and amortization	220	201	19	850	775	75
Taxes other than income	73	71	2	296	293	3
Total operating expenses	1,024	1,006	18	4,214	4,056	158
Gain on sales of assets	1	—	1	1	7	(6)
Operating income	286	217	69	1,323	1,205	118
Other income and (deductions)						
Interest expense, net	(87)	(87)	—	(361)	(461)	100
Other, net	10	8	2	22	(65)	87
Total other income and (deductions)	(77)	(79)	2	(339)	(526)	187
Income before income taxes	209	138	71	984	679	305
Income taxes	89	58	31	417	301	116
Net income	\$ 120	\$ 80	\$ 40	\$ 567	\$ 378	\$ 189

EXELON CORPORATION
Business Segment Comparative Statements of Operations
(unaudited)
(in millions)

PECO

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016	Variance
Operating revenues	\$ 729	\$ 701	\$ 28	\$ 2,870	\$ 2,994	\$ (124)
Operating expenses						
Purchased power and fuel	250	238	12	969	1,047	(78)
Operating and maintenance	211	206	5	806	811	(5)
Depreciation and amortization	73	69	4	286	270	16
Taxes other than income	38	38	—	154	164	(10)
Total operating expenses	572	551	21	2,215	2,292	(77)
Operating income	157	150	7	655	702	(47)
Other income and (deductions)						
Interest expense, net	(33)	(31)	(2)	(126)	(123)	(3)
Other, net	3	2	1	9	8	1
Total other income and (deductions)	(30)	(29)	(1)	(117)	(115)	(2)
Income before income taxes	127	121	6	538	587	(49)
Income taxes	20	29	(9)	104	149	(45)
Net income	\$ 107	\$ 92	\$ 15	\$ 434	\$ 438	\$ (4)

BGE

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016	Variance
Operating revenues	\$ 813	\$ 812	\$ 1	\$ 3,176	\$ 3,233	\$ (57)
Operating expenses						
Purchased power and fuel	280	300	(20)	1,133	1,294	(161)
Operating and maintenance	184	149	35	716	737	(21)
Depreciation and amortization	125	115	10	473	423	50
Taxes other than income	61	58	3	240	229	11
Total operating expenses	650	622	28	2,562	2,683	(121)
Operating income	163	190	(27)	614	550	64
Other income and (deductions)						
Interest expense, net	(25)	(27)	2	(105)	(103)	(2)
Other, net	4	5	(1)	16	21	(5)
Total other income and (deductions)	(21)	(22)	1	(89)	(82)	(7)
Income before income taxes	142	168	(26)	525	468	57
Income taxes	66	65	1	218	174	44
Net income	76	103	(27)	307	294	13
Preference stock dividends	—	—	—	—	8	(8)
Net income attributable to common shareholder	\$ 76	\$ 103	\$ (27)	\$ 307	\$ 286	\$ 21

EXELON CORPORATION
Business Segment Comparative Statements of Operations
(unaudited)
(in millions)

PHI

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016 (a)	Variance
Operating revenues	\$ 1,121	\$ 1,078	\$ 43	\$ 4,679	\$ 3,643	\$ 1,036
Operating expenses						
Purchased power and fuel	398	410	(12)	1,716	1,447	269
Operating and maintenance	292	310	(18)	1,068	1,233	(165)
Depreciation and amortization	164	160	4	675	515	160
Taxes other than income	108	107	1	452	354	98
Total operating expenses	<u>962</u>	<u>987</u>	<u>(25)</u>	<u>3,911</u>	<u>3,549</u>	<u>362</u>
(Loss) Gain on sales of assets	—	(1)	1	1	(1)	2
Operating income	<u>159</u>	<u>90</u>	<u>69</u>	<u>769</u>	<u>93</u>	<u>676</u>
Other income and (deductions)						
Interest expense, net	(62)	(61)	(1)	(245)	(195)	(50)
Other, net	15	13	2	54	44	10
Total other income and (deductions)	<u>(47)</u>	<u>(48)</u>	<u>1</u>	<u>(191)</u>	<u>(151)</u>	<u>(40)</u>
Income (loss) before income taxes	112	42	70	578	(58)	636
Income taxes	108	12	96	217	3	214
Equity in earnings of unconsolidated affiliates	—	—	—	1	—	1
Net income (loss)	<u>\$ 4</u>	<u>\$ 30</u>	<u>\$ (26)</u>	<u>\$ 362</u>	<u>\$ (61)</u>	<u>\$ 423</u>

Other (b)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	Variance	2017	2016	Variance
Operating revenues	\$ (245)	\$ (327)	\$ 82	\$ (1,196)	\$ (1,515)	\$ 319
Operating expenses						
Purchased power and fuel	(222)	(308)	86	(1,114)	(1,436)	322
Operating and maintenance	(45)	(19)	(26)	(182)	96	(278)
Depreciation and amortization	21	20	1	87	74	13
Taxes other than income	8	8	—	34	30	4
Total operating expenses	<u>(238)</u>	<u>(299)</u>	<u>61</u>	<u>(1,175)</u>	<u>(1,236)</u>	<u>61</u>
(Loss) Gain on sales of assets	(1)	1	(2)	(1)	5	(6)
Operating loss	<u>(8)</u>	<u>(27)</u>	<u>19</u>	<u>(22)</u>	<u>(274)</u>	<u>252</u>
Other income and (deductions)						
Interest expense, net	(60)	(58)	(2)	(283)	(290)	7
Other, net	—	(1)	1	7	4	3
Total other income and (deductions)	<u>(60)</u>	<u>(59)</u>	<u>(1)</u>	<u>(276)</u>	<u>(286)</u>	<u>10</u>
Loss before income taxes	(68)	(86)	18	(298)	(560)	262
Income taxes	583	(25)	608	294	(156)	450
Equity in earnings of unconsolidated affiliates	1	1	—	—	1	(1)
Net loss	<u>(650)</u>	<u>(60)</u>	<u>(590)</u>	<u>\$ (592)</u>	<u>\$ (403)</u>	<u>\$ (189)</u>
Net income attributable to noncontrolling interests and preference stock dividends	1	—	1	2	—	2
Net loss attributable to common shareholders	<u>\$ (651)</u>	<u>\$ (60)</u>	<u>\$ (591)</u>	<u>\$ (594)</u>	<u>\$ (403)</u>	<u>\$ (191)</u>

- (a) PHI includes the consolidated results of Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company beginning on March 24, 2016, the day after the merger was completed.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.

EXELON CORPORATION
Consolidated Balance Sheets
(unaudited) (in millions)

	December 31, 2017	December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	\$ 898	\$ 635
Restricted cash and cash equivalents	207	253
Deposit with IRS	—	1,250
Accounts receivable, net		
Customer	4,401	4,158
Other	1,132	1,201
Mark-to-market derivative assets	976	917
Unamortized energy contract assets	60	88
Inventories, net		
Fossil fuel and emission allowances	340	364
Materials and supplies	1,311	1,274
Regulatory assets	1,267	1,342
Other	1,242	930
Total current assets	11,834	12,412
Property, plant and equipment, net	74,202	71,555
Deferred debits and other assets		
Regulatory assets	8,021	10,046
Nuclear decommissioning trust funds	13,272	11,061
Investments	640	629
Goodwill	6,677	6,677
Mark-to-market derivative assets	337	492
Unamortized energy contract assets	395	447
Pledged assets for Zion Station decommissioning	—	113
Other	1,322	1,472
Total deferred debits and other assets	30,664	30,937
Total assets	\$ 116,700	\$ 114,904
Liabilities and shareholders' equity		
Current liabilities		
Short-term borrowings	\$ 929	\$ 1,267
Long-term debt due within one year	2,088	2,430
Accounts payable	3,532	3,441
Accrued expenses	1,835	3,460
Payables to affiliates	5	8
Regulatory liabilities	523	602
Mark-to-market derivative liabilities	232	282
Unamortized energy contract liabilities	231	407
Renewable energy credit obligation	352	428
PHI merger related obligation	87	151
Other	982	981
Total current liabilities	10,796	13,457
Long-term debt	32,176	31,575
Long-term debt to financing trusts	389	641
Deferred credits and other liabilities		
Deferred income taxes and unamortized investment tax credits	11,222	18,138
Asset retirement obligations	10,029	9,111
Pension obligations	3,736	4,248
Non-pension postretirement benefit obligations	2,093	1,848
Spent nuclear fuel obligation	1,147	1,024
Regulatory liabilities	9,865	4,187
Mark-to-market derivative liabilities	409	392
Unamortized energy contract liabilities	609	830
Payable for Zion Station decommissioning	—	14
Other	2,097	1,827
Total deferred credits and other liabilities	41,207	41,619
Total liabilities	84,568	87,292
Commitments and contingencies		
Shareholders' equity		
Common stock	18,964	18,794
Treasury stock, at cost	(123)	(2,327)
Retained earnings	13,503	12,030
Accumulated other comprehensive loss, net	(2,487)	(2,660)
Total shareholders' equity	29,857	25,837
Noncontrolling interests	2,275	1,775
Total equity	32,132	27,612
Total liabilities and shareholders' equity	\$ 116,700	\$ 114,904

EXELON CORPORATION
Consolidated Statements of Cash Flows
(unaudited)
(in millions)

	Twelve Months Ended December 31,	
	2017	2016
Cash flows from operating activities		
Net income	\$ 3,849	\$ 1,204
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization, and accretion, including nuclear fuel and energy contract amortization	5,427	5,576
Impairments of long-lived assets, intangible assets, and losses on regulatory assets	573	306
Gain on deconsolidation of business	(213)	—
(Gain) Loss on sales of assets	(3)	48
Bargain purchase gain	(233)	—
Deferred income taxes and amortization of investment tax credits	(361)	664
Net fair value changes related to derivatives	151	24
Net realized and unrealized (gains) losses on nuclear decommissioning trust fund investments	(616)	(229)
Other non-cash operating activities	713	1,333
Changes in assets and liabilities:		
Accounts receivable	(426)	(432)
Inventories	(72)	7
Accounts payable and accrued expenses	(378)	771
Option premiums (paid) received, net	28	(66)
Collateral received (posted), net	(158)	931
Income taxes	299	576
Pension and non-pension postretirement benefit contributions	(405)	(397)
Deposit with IRS	—	(1,250)
Other assets and liabilities	(683)	(621)
Net cash flows provided by operating activities	<u>7,492</u>	<u>8,445</u>
Cash flows from investing activities		
Capital expenditures	(7,584)	(8,553)
Proceeds from termination of direct financing lease investment	—	360
Proceeds from nuclear decommissioning trust fund sales	7,845	9,496
Investment in nuclear decommissioning trust funds	(8,113)	(9,738)
Acquisition of businesses, net	(208)	(6,934)
Proceeds from sales of long-lived assets	219	61
Change in restricted cash	(50)	(42)
Other investing activities	(55)	(153)
Net cash flows used in investing activities	<u>(7,946)</u>	<u>(15,503)</u>
Cash flows from financing activities		
Changes in short-term borrowings	(261)	(353)
Proceeds from short-term borrowings with maturities greater than 90 days	621	240
Repayments on short-term borrowings with maturities greater than 90 days	(700)	(462)
Issuance of long-term debt	3,470	4,716
Retirement of long-term debt	(2,490)	(1,936)
Retirement of long-term debt to financing trust	(250)	—
Restricted proceeds from issuance of long-term debt	(50)	—
Redemption of preference stock	—	(190)
Sale of noncontrolling interests	396	372
Dividends paid on common stock	(1,236)	(1,166)
Common stock issued from treasury	1,150	—
Proceeds from employee stock plans	150	55
Other financing activities	(83)	(85)
Net cash flows provided by financing activities	<u>717</u>	<u>1,191</u>
Increase (Decrease) in cash and cash equivalents	<u>263</u>	<u>(5,867)</u>
Cash and cash equivalents at beginning of period	<u>635</u>	<u>6,502</u>
Cash and cash equivalents at end of period	<u>\$ 898</u>	<u>\$ 635</u>

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions, except per share data)

	Three Months Ended December 31, 2017			Three Months Ended December 31, 2016		
	GAAP (a)	Non-GAAP Adjustments		GAAP (a)	Non-GAAP Adjustments	
Operating revenues	\$ 8,381	\$ 93	(b),(d)	\$ 7,875	\$ 177	(b),(d)
Operating expenses						
Purchased power and fuel	3,508	61	(b),(d),(g)	3,178	184	(b),(d),(g)
Operating and maintenance	2,395	(53)	(e),(f),(g),(h), (i),(k),(o)	2,371	107	(e),(g),(h),(l), (m),(n)
Depreciation and amortization	1,015	(109)	(g)	1,115	(251)	(g)
Taxes other than income	418	2	(k)	408	—	
Total operating expenses	<u>7,336</u>			<u>7,072</u>		
Loss on sales of assets	—	—		(89)	89	(g),(n)
Gain on deconsolidation of business	213	(213)	(j)	—		
Operating income	<u>1,258</u>			<u>714</u>		
Other income and (deductions)						
Interest expense, net	(365)	—		(356)	—	
Other, net	331	(244)	(c),(i)	33	37	(c),(g),(n)
Total other income and (deductions)	<u>(34)</u>			<u>(323)</u>		
Income before income taxes	1,224			391		
Income taxes	(719)	1,110	(b),(c),(d),(e), (f),(g),(h),(i), (j),(k),(o)	136	118	(b),(c),(d),(e), (g),(h),(i),(l), (m),(n)
Equity in losses of unconsolidated affiliates	(6)	—		(8)	—	
Net income	<u>1,937</u>			<u>247</u>		
Net income attributable to noncontrolling interests and preference stock dividends	66	(40)	(p)	43	(61)	(p)
Net income attributable to common shareholders	<u>\$ 1,871</u>			<u>\$ 204</u>		
Effective tax rate^{(a),(r)}	<u>(58.7)%</u>			<u>34.8%</u>		
Earnings per average common share						
Basic	\$ 1.94			\$ 0.22		
Diluted	<u>\$ 1.94</u>			<u>\$ 0.22</u>		
Average common shares outstanding						
Basic	964			925		
Diluted	967			928		
Effect of adjustments on earnings per average diluted common share recorded in accordance with GAAP:						
Mark-to-market impact of economic hedging activities (b)	\$ 0.01			\$ (0.05)		
Unrealized (gains) losses related to NDT fund investments (c)		(0.12)			0.01	
Amortization of commodity contract intangibles (d)		0.01			0.03	
Merger and integration costs (e)		—			0.02	
Long-lived asset impairments (f)		0.03			—	
Plant retirements and divestitures (g)		0.07			0.10	
Cost management program (h)		0.01			0.01	
Reassessment of deferred income taxes (i)		(1.30)			0.01	
Gain on deconsolidation of business (j)		(0.14)			—	
Vacation policy change (k)		(0.03)			—	
Merger commitments (l)		—			0.04	
Asset retirement obligation (m)		—			(0.08)	
Curtailed of Generation growth and development activities (n)		—			0.06	
Change in environmental remediation liabilities (o)		0.03			—	
Noncontrolling interests (p)		0.04			0.07	
Total adjustments		<u>\$ (1.39)</u>			<u>\$ 0.22</u>	

(a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).

(b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.

(c) Adjustment to exclude the impact of unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.

- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, primarily related to commodity contracts recorded at fair value related to, in 2016, the Integrys and ConEdison Solutions acquisitions, and in 2017, the ConEdison Solutions and FitzPatrick acquisitions.
- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI and FitzPatrick acquisitions.
- (f) Adjustment to exclude charges to earnings related to the PHI 2017 impairment of the District of Columbia sponsorship intangible asset.
- (g) Adjustment to exclude in 2016, incremental accelerated depreciation and amortization expenses from June 2, 2016 through December 6, 2016 pursuant to the second quarter decision to early retire the Clinton and Quad Cities nuclear generation facilities, which decision was reversed in December 2016, partially offset by the reversal of certain one-time charges for materials & supplies inventory reserves and severance reserves upon Generation's decision to continue operating the plants with the passage of the Illinois Zero Emission Standard, and in 2017, an adjustment to exclude accelerated depreciation and amortization expenses associated with Generation's decision to early retire the Three Mile Island nuclear facility.
- (h) Adjustment to exclude severance and reorganization costs related to a cost management program.
- (i) Adjustment to exclude in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, the one-time non-cash impacts associated with the Tax Cuts and Jobs Act (including impacts on pension obligations).
- (j) Adjustment to exclude the gain recorded upon deconsolidation of EGTP's net liabilities, which included the previously impaired assets and related debt, as a result of the November 2017 bankruptcy filing.
- (k) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.
- (l) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition and a charge related to a 2012 CEG merger commitment.
- (m) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (n) Adjustment to exclude the one-time recognition for a loss on sale of assets and asset impairment charges pursuant to Generation's strategic decision in the fourth quarter of 2016 to narrow the scope and scale of its growth and development activities.
- (o) Represents charges to adjust the environmental reserve associated with future remediation of the West Lake Landfill Superfund Site.
- (p) Adjustment to exclude the elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments at CENG.
- (q) The effective tax rate related to GAAP Net Income for the three months ended December 31, 2017 includes the impact of the Tax Cuts and Jobs Act.
- (r) The effective tax rate related to Adjusted (non-GAAP) Operating Earnings is 40.8% and 38.8% for the three months ended December 31, 2017 and 2016, respectively.

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions, except per share data)

	Twelve Months Ended December 31, 2017			Twelve Months Ended December 31, 2016		
	GAAP (a)	Non-GAAP Adjustments		GAAP (a)	Non-GAAP Adjustments	
Operating revenues	\$ 33,531	\$ 170	(b),(d)	\$ 31,360	\$ 545	(b),(d),(e)
Operating expenses						
Purchased power and fuel	14,035	(72)	(b),(d),(h)	12,640	395	(b),(d),(h)
Operating and maintenance	10,126	(686)	(e),(g),(h),(i), (j),(l),(p),(r)	10,048	(849)	(e),(f),(g),(h), (j),(l),(q)
Depreciation and amortization	3,828	(252)	(d),(h)	3,936	(704)	(e),(h)
Taxes other than income	1,731	2	(p)	1,576	(1)	(j)
Total operating expenses	<u>29,720</u>			<u>28,200</u>		
Gain (Loss) on sales of assets	3	1	(h)	(48)	57	(h),(q)
Bargain purchase gain	233	(233)	(n)	—	—	
Gain on deconsolidation of business	213	(213)	(o)	—	—	
Operating income	<u>4,260</u>			<u>3,112</u>		
Other income and (deductions)						
Interest expense, net	(1,560)	58	(g),(k),(m)	(1,536)	153	(k)
Other, net	1,056	(638)	(c),(i),(k)	413	(124)	(c),(h),(k),(q)
Total other income and (deductions)	<u>(504)</u>			<u>(1,123)</u>		
Income before income taxes	3,756			1,989		
Income taxes	(125)	1,566	(b),(c),(d),(e), (f),(g),(h),(i), (j),(k),(l),(m), (o),(p),(r)	761	538	(b),(c),(d),(e), (f),(g),(h),(i), (j),(k),(l),(q)
Equity in losses of unconsolidated affiliates	(32)	—		(24)	—	
Net income	<u>3,849</u>			<u>1,204</u>		
Net income attributable to noncontrolling interests and preference stock dividends	79	(114)	(s)	70	(102)	(s)
Net income attributable to common shareholders	<u>\$ 3,770</u>			<u>\$ 1,134</u>		
Effective tax rate^(a)	(3.3)%			38.3%		
Earnings per average common share						
Basic	\$ 3.98			\$ 1.23		
Diluted	<u>\$ 3.97</u>			<u>\$ 1.22</u>		
Average common shares outstanding						
Basic	947			924		
Diluted	949			927		
Effect of adjustments on earnings per average diluted common share recorded in accordance with GAAP:						
Mark-to-market impact of economic hedging activities (b)		\$ 0.11			\$ 0.03	
Unrealized gains related to NDT fund investments (c)		(0.34)			(0.13)	
Amortization of commodity contract intangibles (d)		0.04			0.04	
Merger and integration costs (e)		0.04			0.12	
Merger commitments (f)		(0.14)			0.47	
Long-lived asset impairments (g)		0.34			0.11	
Plant retirements and divestitures (h)		0.22			0.47	
Reassessment of deferred income taxes (i)		(1.37)			0.01	
Cost management program (j)		0.04			0.04	
Like-kind exchange tax position (k)		(0.03)			0.21	
Asset retirement obligation (l)		—			(0.08)	
Tax settlements (m)		(0.01)			—	
Bargain purchase gain (n)		(0.25)			—	
Gain on Deconsolidation of Business (o)		(0.14)			—	
Vacation policy change (p)		(0.03)			—	
Curtailment of generation growth and development activities (q)		—			0.06	
Change in environmental remediation liabilities (r)		0.03			—	
Noncontrolling interests (s)		0.12			0.11	
Total adjustments		<u>\$ (1.37)</u>			<u>\$ 1.46</u>	

As a result of the PHI acquisition completion on March 23, 2016, the table includes financial results for PHI beginning on March 24, 2016 to December 31, 2017. Therefore, the results of operations from 2017 and 2016 are not comparable for Exelon. The explanations below identify any other significant or unusual items affecting the results of operations.

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (c) Adjustment to exclude the impact of unrealized gains on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, primarily related to commodity contracts recorded at fair value related to, in 2016, the Integrys and ConEdison Solutions acquisitions, and in 2017, the ConEdison Solutions and FitzPatrick acquisitions.
- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI and FitzPatrick acquisitions.
- (f) Adjustment to exclude costs incurred as part of the settlement orders approving the PHI acquisition, and in 2016, a charge related to a 2012 CEG merger commitment, and in 2017, a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2012 CEG and 2016 PHI acquisitions.
- (g) Adjustment to exclude charges to earnings related to the impairment of upstream assets and certain wind projects at Generation in 2016, and in 2017, impairments of the ExGen Texas Power, LLC (EGTP) assets and PHI District of Columbia sponsorship intangible asset.
- (h) Adjustment to exclude in 2016, accelerated depreciation and amortization expenses through December 2016 and construction work in progress impairments associated with Generation's previous decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's sale of the New Boston generating site, and in 2017, primarily reflects accelerated depreciation and amortization expenses, increases to materials and supplies inventory reserves, construction work in progress impairments and charges for severance reserves associated with Generation's decision to early retire the Three Mile Island nuclear facility.
- (i) Adjustment to exclude in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act (including impacts on pension obligations), changes in the Illinois and District of Columbia statutory tax rates and changes in forecasted apportionment.
- (j) Adjustment to exclude severance and reorganization costs related to a cost management program.
- (k) Adjustment to exclude in 2016 the recognition of a penalty and associated interest expense as a result of a tax court decision on Exelon's like-kind exchange tax position, and in 2017, adjustments to income tax, penalties and interest expenses as a result of the finalization of the IRS tax computation related to Exelon's like-kind exchange tax position.
- (l) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (m) Adjustment to exclude benefits related to the favorable settlement in 2017 of certain income tax positions related to PHI's unregulated business interests that were transferred to Generation.
- (n) Adjustment to exclude the excess of the fair value of assets and liabilities acquired over the purchase price for the FitzPatrick acquisition.
- (o) Adjustment to exclude the gain recorded upon deconsolidation of EGTP's net liabilities, which included the previously impaired assets and related debt, as a result of the November 2017 bankruptcy filing.
- (p) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.
- (q) Adjustment to exclude the one-time recognition for a loss on sale of assets and asset impairment charges pursuant to Generation's strategic decision in the fourth quarter of 2016 to narrow the scope and scale of its growth and development activities.
- (r) Represents charges to adjust the environmental reserve associated with future remediation of the West Lake Landfill Superfund Site.
- (s) Adjustment to exclude the elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments at CENG.
- (t) The effective tax rate related to GAAP Net Income for the twelve months ended December 31, 2017 includes the impact of the Tax Cuts and Jobs Act.
- (u) The effective tax rate related to Adjusted (non-GAAP) Operating Earnings is 36.9% and 34.4% for the twelve months ended December 31, 2017 and 2016, respectively.

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating
Earnings to GAAP Net Income (in millions)
Three Months Ended December 31, 2017 and 2016
(unaudited)

	Exelon Earnings per Diluted Share	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon
2016 GAAP Net Income (Loss)	\$ 0.22	\$ (41)	\$ 80	\$ 92	\$ 103	\$ 30	\$ (60)	\$ 204
2016 Adjusted (non-GAAP) Operating (Earnings) Loss Adjustments:								
Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$28)	(0.05)	(44)	—	—	—	—	—	(44)
Unrealized Losses Related to NDT Fund Investments (net of taxes of \$13) (1)	0.01	9	—	—	—	—	—	9
Amortization of Commodity Contract Intangibles (net of taxes of \$16) (2)	0.03	26	—	—	—	—	—	26
Merger and Integration Costs (net of taxes of \$9, \$0, \$1, \$1, \$3, \$0 and \$14, respectively) (3)	0.02	15	1	1	1	4	1	23
Merger Commitments (net of taxes of \$9, \$2, \$1 and \$12, respectively) (4)	0.04	40	—	—	—	8	(10)	38
Long-Lived Asset Impairments (net of taxes of \$1) (5)	—	—	—	—	—	—	(1)	(1)
Plant Retirements and Divestitures (net of taxes of \$59) (6)	0.10	94	—	—	—	—	—	94
Cost Management Program (net of taxes of \$3, \$1, \$1 and \$5, respectively) (7)	0.01	6	—	1	1	—	—	8
Reassessment of Deferred Income Taxes (entire amount represents tax expense) (8)	0.01	14	—	—	—	—	(4)	10
Asset Retirement Obligation (net of taxes of \$14) (9)	(0.08)	(75)	—	—	—	—	—	(75)
Curtailment of Generation Growth and Development Activities (net of taxes of \$35) (10)	0.06	57	—	—	—	—	—	57
Noncontrolling Interests (net of taxes of \$1) (11)	0.07	61	—	—	—	—	—	61
2016 Adjusted (non-GAAP) Operating Earnings (Loss)	0.44	162	81	94	105	42	(74)	410
Year Over Year Effects on Earnings:								
ComEd, PECO, BGE and PHI Margins:								
Weather	0.02	—	— (c)	13	— (c)	4 (c)	—	17
Load	—	—	4 (c)	(5)	— (c)	(1) (c)	—	(2)
Other Energy Delivery (15)	0.04	—	(1) (d)	1 (d)	13 (d)	30 (d)	—	43
Generation Energy Margins, Excluding Mark-to-Market:								
Nuclear Volume (16)	0.04	37	—	—	—	—	—	37
Nuclear Fuel Cost (17)	—	—	—	—	—	—	—	—
Capacity Pricing (18)	0.05	49	—	—	—	—	—	49
Zero Emission Credit Revenue (19)	0.08	74	—	—	—	—	—	74
Market and Portfolio Conditions (20)	(0.09)	(83)	—	—	—	—	—	(83)
Operating and Maintenance Expense:								
Labor, Contracting and Materials (21)	0.04	13	18	(1)	6	(1)	—	35
Planned Nuclear Refueling Outages (22)	—	(4)	—	—	—	—	—	(4)
Pension and Non-Pension Postretirement Benefits (23)	—	(4) (1)	—	—	1	2	(1)	(3)
Other Operating and Maintenance (24)	0.05	25	33	(3)	(28)	8	19	54
Depreciation and Amortization Expense (25)	(0.03)	(3)	(11)	(2)	(6)	(2)	(1)	(25)
Interest Expense, Net	—	1	—	(2)	1	(1)	(2)	(3)
Income Taxes (26)	(0.04)	10	(1)	(1)	(7)	(32)	(4)	(35)
Equity in Earnings of Unconsolidated Affiliates	—	1	—	—	—	—	—	1
Noncontrolling Interests (27)	(0.03)	(27)	—	—	—	—	—	(27)
Other	—	1	1	1	(3)	(1)	(1)	(2)
Share Differential (28)	(0.02)	—	—	—	—	—	—	—
2017 Adjusted (non-GAAP) Operating Earnings (Loss)	0.55	252	123	95	82	48	(64)	536
2017 Adjusted (non-GAAP) Operating Earnings (Loss) Adjustments:								
Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$6, \$1 and \$7, respectively)	(0.01)	(9)	—	—	—	—	1	(8)
Unrealized Gains Related to NDT Fund Investments (net of taxes of \$67) (1)	0.12	108	—	—	—	—	—	108
Amortization of Commodity Contract Intangibles (net of taxes of \$5) (2)	(0.01)	(8)	—	—	—	—	—	(8)
Merger and Integration Costs (net of taxes of \$0, \$1, \$0 and \$1, respectively) (3)	—	(1)	—	—	(1)	—	1	(1)
Long-Lived Asset Impairments (net of taxes of \$8, \$9, \$1 and \$16, respectively) (5)	(0.03)	(12)	—	—	—	(16)	(1)	(29)
Plant Retirements and Divestitures (net of taxes of \$45) (6)	(0.07)	(70)	—	—	—	—	—	(70)
Cost Management Program (net of taxes of \$5, \$1, \$0 and \$6, respectively) (7)	(0.01)	(8)	—	(1)	(1)	—	—	(10)
Reassessment of Deferred Income Taxes (entire amount represents tax expense) (8)	1.30	1,874	(3)	12	(5)	(33)	(588)	1,257
Gain on Deconsolidation of Business (net of taxes of \$83) (12)	0.14	130	—	—	—	—	—	130
Vacation Policy Change (net of taxes of \$16, \$1, \$1, \$3 and \$21, respectively) (13)	0.03	26	—	1	1	5	—	33
Change in Environmental Remediation Liabilities (net of taxes of \$17) (14)	(0.03)	(27)	—	—	—	—	—	(27)
Noncontrolling Interests (net of taxes of \$8) (11)	(0.04)	(40)	—	—	—	—	—	(40)
2017 GAAP Net Income (Loss)	\$ 1.94	\$ 2,215	\$ 120	\$ 107	\$ 76	\$ 4	\$ (651)	\$ 1,871

Note:

Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all items except the unrealized gains and losses related to NDT fund investments, the marginal statutory income tax rates ranged from 39.0 percent to 41.0 percent. Under IRS regulations, NDT fund investment returns are taxed at differing rates for investments in qualified vs. non-qualified funds. The tax rates applied to unrealized gains and losses related to NDT fund investments were 49.5 percent and 76.2 percent for the three months ended December 31, 2017 and 2016, respectively.

- (a) PHI consolidated results include Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (c) For BGE, Pepco and DPL Maryland and beginning in 2017 for ComEd, customer rates are adjusted to eliminate the impacts of weather and customer usage on distribution volumes.
- (d) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (2) Represents the non-cash amortization of intangible assets, net, primarily related to commodity contracts recorded at fair value related to, in 2016, the Integrys and ConEdison Solutions acquisitions, and in 2017, the ConEdison Solutions and FitzPatrick acquisitions.
- (3) Primarily reflects certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI and FitzPatrick acquisitions.
- (4) Represents costs incurred as part of the settlement orders approving the PHI acquisition and a charge related to a 2012 CEG merger commitment.
- (5) Primarily reflects charges to earnings related to the PHI 2017 impairment of the District of Columbia sponsorship intangible asset.
- (6) In 2016, primarily reflects incremental accelerated depreciation and amortization expenses from June 2, 2016 through December 6, 2016 pursuant to the second quarter decision to early retire the Clinton and Quad Cities nuclear generation facilities, which decision was reversed in December 2016, partially offset by the reversal of certain one-time charges for materials & supplies inventory reserves and severance reserves upon Generation's decision to continue operating the plants with the passage of the Illinois Zero Emission Standard. In 2017, primarily reflects accelerated depreciation and amortization expenses associated with Generation's decision to early retire the Three Mile Island nuclear facility.
- (7) Represents severance and reorganization costs related to a cost management program.
- (8) Reflects in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, the one-time non-cash impacts associated with the Tax Cuts and Jobs Act (including impacts on pension obligations contained within Other).
- (9) Reflects a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (10) Reflects the one-time recognition for a loss on sale of assets and asset impairment charges pursuant to Generation's strategic decision in the fourth quarter of 2016 to narrow the scope and scale of its growth and development activities.
- (11) Represents elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments at CENG.
- (12) Represents the gain recorded upon deconsolidation of EGTP's net liabilities, which included the previously impaired assets and related debt, as a result of the November 2017 bankruptcy filing.
- (13) Represents the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.
- (14) Represents charges to adjust the environmental reserve associated with future remediation of the West Lake Landfill Superfund Site.
- (15) For ComEd, primarily reflects lower revenues resulting from the change to defer and recover over time energy efficiency costs pursuant to the Illinois Future Energy Jobs Act, almost entirely offset by increased electric distribution and transmission formula rate revenues (due to increased capital investments and higher electric distribution ROE, which is due to an increase in treasury rates). For BGE and PHI, primarily reflects increased revenue as a result of rate increases.
- (16) Primarily reflects the acquisition of the FitzPatrick nuclear facility and increased nuclear output.
- (17) Primarily reflects a decrease in fuel prices, offset by increased nuclear output as a result of the FitzPatrick acquisition.
- (18) Primarily reflects increased capacity prices in the New England, Midwest and Mid-Atlantic regions.
- (19) Reflects the impact of the New York Clean Energy Standard.
- (20) Primarily reflects lower realized energy prices and the conclusion of the Ginna Reliability Support Services Agreement, partially offset by the addition of two combined-cycle gas turbines in Texas.
- (21) Primarily reflects decreased variable compensation costs across the operating companies, partially offset at Generation by increased costs related to the acquisition of the FitzPatrick nuclear facility.
- (22) Primarily reflects the impact of increased refueling outage costs given an increased scope of outage activities, despite decreased outage days excluding Salem.
- (23) Primarily reflects the unfavorable impact of lower pension and OPEB discount rates, partially offset by the favorable impact of lower health care claims experience.
- (24) For Generation, primarily reflects the impact of an increased NEIL insurance credit. For ComEd, primarily reflects the change to defer and recover over time energy efficiency costs pursuant to the Illinois Future Energy Jobs Act. For BGE, primarily reflects the favorable 2016 settlement of the Baltimore City conduit fee dispute and an increase in uncollectible accounts expense.
- (25) For Generation, reflects increased depreciation for the addition of two combined-cycle gas turbines in Texas, partially offset by the absence of depreciation related to EGTP assets. Additionally, primarily reflects increased depreciation from ongoing capital expenditures across all operating companies.
- (26) For Generation, primarily reflects the favorable change in one-time tax adjustments. Additionally, primarily reflects 2017 impairments at ComEd, BGE, and PHI of certain transmission-related income tax regulatory assets.
- (27) Reflects elimination from Generation's results of activity attributable to noncontrolling interests, primarily for CENG and the Renewables Joint Venture.
- (28) Reflects the impact on earnings per share due to the increase in Exelon's average diluted common shares outstanding as a result of the June 2017 common stock issuance.

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating
Earnings to GAAP Net Income (in millions)
Twelve Months Ended December 31, 2017 and 2016
(unaudited)

	Exelon Earnings per Diluted Share	Generation	ComEd	PECO	BGE	PHI (a)	Other (b)	Exelon (a)
2016 GAAP Net Income (Loss)	\$ 1.22	\$ 496	\$ 378	\$ 438	\$ 286	\$ (61)	\$ (403)	\$ 1,134
2016 Adjusted (non-GAAP) Operating (Earnings) Loss Adjustments:								
Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$18)	0.03	24	—	—	—	—	—	24
Unrealized Gains Related to NDT Fund Investments (net of taxes of \$77) (1)	(0.13)	(118)	—	—	—	—	—	(118)
Amortization of Commodity Contract Intangibles (net of taxes of \$22) (2)	0.04	35	—	—	—	—	—	35
Merger and Integration Costs (net of taxes of \$22, \$2, \$28, \$0, and \$50, respectively) (3)	0.12	35	(3)	3	—	42	37	114
Merger Commitments (net of taxes of \$10, \$77, \$39 and \$126, respectively) (4)	0.47	42	—	—	—	247	148	437
Long-Lived Asset Impairments (net of taxes of \$68) (5)	0.11	103	—	—	—	—	—	103
Plant Retirements and Divestitures (net of taxes of \$273) (6)	0.47	432	—	—	—	—	—	432
Reassessment of Deferred Income Taxes (entire amount represents tax expense) (7)	0.01	20	—	—	—	—	(10)	10
Cost Management Program (net of taxes of \$17, \$2, \$2 and \$21, respectively) (8)	0.04	28	—	3	3	—	—	34
Like-Kind Exchange Tax Position (net of taxes of \$42, \$19 and \$61, respectively) (9)	0.21	—	149	—	—	—	50	199
Asset Retirement Obligation (net of taxes of \$13) (10)	(0.08)	(75)	—	—	—	—	—	(75)
Curtailment of Generation Growth and Development Activities (net of taxes of \$35) (11)	0.06	57	—	—	—	—	—	57
Noncontrolling Interests (net of taxes of \$9) (12)	0.11	102	—	—	—	—	—	102
2016 Adjusted (non-GAAP) Operating Earnings (Loss)	2.68	1,181	524	444	289	228	(178)	2,488
Year Over Year Effects on Earnings:								
ComEd, PECO, BGE and PHI Margins:								
Weather	(0.05)	—	(21) (c)	(14)	— (c)	(8) (c)	—	(43)
Load	(0.01)	—	(3) (c)	(9)	— (c)	3 (c)	—	(9)
Other Energy Delivery (18)	0.64	—	88 (d)	(4) (d)	62 (d)	462 (d)	—	608
Generation Energy Margins, Excluding Mark-to-Market:								
Nuclear Volume (19)	0.11	106	—	—	—	—	—	106
Nuclear Fuel Cost (20)	0.01	12	—	—	—	—	—	12
Capacity Pricing (21)	0.07	64	—	—	—	—	—	64
Zero Emission Credit Revenue (22)	0.20	192	—	—	—	—	—	192
Market and Portfolio Conditions (23)	(0.43)	(412)	—	—	—	—	—	(412)
Operating and Maintenance Expense:								
Labor, Contracting and Materials (24)	(0.10)	(32)	24	(10)	7	(85)	—	(96)
Planned Nuclear Refueling Outages (25)	(0.07)	(69)	—	—	—	—	—	(69)
Pension and Non-Pension Postretirement Benefits (26)	(0.01)	(6)	(2)	2	2	(4)	(2)	(10)
Other Operating and Maintenance (27)	0.03	(12)	38	11	7	(54)	37	27
Depreciation and Amortization Expense (28)	(0.22)	(19)	(45)	(9)	(30)	(95)	(7)	(205)
Interest Expense, Net (29)	(0.08)	(27)	6	(2)	(2)	(29)	(20)	(74)
Income Taxes (30)	(0.06)	(16)	(12)	12	(17)	(27)	—	(60)
Equity in Earnings of Unconsolidated Affiliates	(0.01)	(5)	—	—	—	—	—	(5)
Noncontrolling Interests (31)	—	(2)	—	—	—	—	—	(2)
Other (32)	(0.04)	18	(5)	6	—	(53)	(7)	(41)
Share Differential (33)	(0.06)	—	—	—	—	—	—	—
2017 Adjusted (non-GAAP) Operating Earnings (Loss)	2.60	973	592	427	318	338	(177)	2,471
2017 Adjusted (non-GAAP) Operating Earnings (Loss) Adjustments:								
Mark-to-Market Impact of Economic Hedging Activities (net of taxes of \$66, \$2 and \$68, respectively)	(0.11)	(109)	—	—	—	—	2	(107)
Unrealized Gains Related to NDT Fund Investments (net of taxes of \$204) (1)	0.34	318	—	—	—	—	—	318
Amortization of Commodity Contract Intangibles (net of taxes of \$22) (2)	(0.04)	(34)	—	—	—	—	—	(34)
Merger and Integration Costs (net of taxes of \$27, \$0, \$2, \$2, \$7, \$1 and \$25, respectively) (3)	(0.04)	(44)	(1)	(2)	(2)	10	(1)	(40)
Merger Commitments (net of taxes of \$18, \$52, \$67 and \$137, respectively) (4)	0.14	18	—	—	—	59	60	137
Long-Lived Asset Impairments (net of taxes of \$194, \$9, \$1 and \$204, respectively) (5)	(0.34)	(306)	—	—	—	(16)	1	(321)
Plant Retirements and Divestitures (net of taxes of \$133, \$1 and \$134, respectively) (6)	(0.22)	(208)	—	—	—	—	1	(207)
Reassessment of Deferred Income Taxes (entire amount represents tax expense) (7)	1.37	1,856	(1)	12	(5)	(34)	(529)	1,299
Cost Management Program (net of taxes of \$15, \$3, \$3 and \$21, respectively) (8)	(0.04)	(25)	—	(4)	(5)	—	—	(34)
Like-Kind Exchange Tax Position (net of taxes of \$9, \$75 and \$66, respectively) (9)	0.03	—	(23)	—	—	—	49	26
Asset Retirement Obligation (net of taxes of \$1) (10)	—	2	—	—	—	—	—	2
Tax Settlements (net of taxes of \$1) (13)	0.01	5	—	—	—	—	—	5
Bargain Purchase Gain (net of taxes of \$0) (14)	0.25	233	—	—	—	—	—	233
Gain on Deconsolidation of Business (net of taxes of \$83) (15)	0.14	130	—	—	—	—	—	130
Vacation Policy Change (net of taxes of \$16, \$1, \$1, \$3 and \$21, respectively) (16)	0.03	26	—	1	1	5	—	33
Change in Environmental Remediation Liabilities (net of taxes of \$17) (17)	(0.03)	(27)	—	—	—	—	—	(27)
Noncontrolling Interests (net of taxes of \$24) (12)	(0.12)	(114)	—	—	—	—	—	(114)
2017 GAAP Net Income (Loss)	\$ 3.97	\$ 2,694	\$ 567	\$ 434	\$ 307	\$ 362	\$ (594)	\$ 3,770

Note:

Unless otherwise noted, the income tax impact of each reconciling item between GAAP Net Income and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates for each Registrant, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all items except the unrealized gains and losses related to NDT fund investments, the marginal statutory income tax rates ranged from 39.0 percent to 41.0 percent. Under IRS regulations, NDT fund investment returns are taxed at differing rates for investments in qualified vs. non-qualified funds. The tax rates applied to unrealized gains and losses related to NDT fund investments were 47.4 percent and 48.7 percent for the twelve months ended December 31, 2017 and 2016, respectively.

- (a) For the twelve months ended December 31, 2016, includes financial results for PHI beginning on March 24, 2016, the day after the merger was completed. Therefore, the results of operations from 2017 and 2016 are not comparable for PHI and Exelon. The explanations below identify any other significant or unusual items affecting the results of operations. PHI consolidated results include Potomac Electric Power Company, Delmarva Power & Light Company and Atlantic City Electric Company.
- (b) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (c) For BGE, Pepco and DPL Maryland and beginning in 2017 for ComEd, customer rates are adjusted to eliminate the impacts of weather and customer usage on distribution volumes.
- (d) For regulatory recovery mechanisms, including ComEd's distribution formula rate, ComEd, BGE and PHI utilities transmission formula rates, and riders across all utilities, revenues increase and decrease i) as fully recoverable costs fluctuate (with no impact on net earnings), and ii) pursuant to changes in rate base, capital structure and ROE (which impact net earnings).
- (1) Reflects the impact of unrealized gains on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (2) Represents the non-cash amortization of intangible assets, net, primarily related to commodity contracts recorded at fair value related to, in 2016, the Integrys and ConEdison Solutions acquisitions, and in 2017, the ConEdison Solutions and FitzPatrick acquisitions.
- (3) Primarily reflects certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI and FitzPatrick acquisitions, partially offset in 2016 at ComEd, and in 2017 at PHI, by the anticipated recovery of previously incurred PHI acquisition costs.
- (4) Represents costs incurred as part of the settlement orders approving the PHI acquisition, and in 2016, a charge related to a 2012 CEG merger commitment, and in 2017, a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2012 CEG and 2016 PHI acquisitions.
- (5) Primarily reflects charges to earnings related to the impairment of upstream assets and certain wind projects at Generation in 2016, and in 2017, impairments of the ExGen Texas Power, LLC (EGTP) assets and PHI District of Columbia sponsorship intangible asset.
- (6) In 2016, primarily reflects accelerated depreciation and amortization expenses through December 2016 and construction work in progress impairments associated with Generation's previous decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's sale of the New Boston generating site. In 2017, primarily reflects accelerated depreciation and amortization expenses, increases to materials and supplies inventory reserves, construction work in progress impairments and charges for severance reserves associated with Generation's decision to early retire the Three Mile Island nuclear facility.
- (7) Reflects in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act (including impacts on pension obligations contained within Other), changes in the Illinois and District of Columbia statutory tax rates and changes in forecasted apportionment.
- (8) Represents severance and reorganization costs related to a cost management program.
- (9) Represents in 2016 the recognition of a penalty and associated interest expense as a result of a tax court decision on Exelon's like-kind exchange tax position, and in 2017, adjustments to income tax, penalties and interest expenses as a result of the finalization of the IRS tax computation related to Exelon's like-kind exchange tax position.
- (10) Reflects a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (11) Reflects the one-time recognition for a loss on sale of assets and asset impairment charges pursuant to Generation's strategic decision in the fourth quarter of 2016 to narrow the scope and scale of its growth and development activities.
- (12) Represents elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments at CENG.
- (13) Reflects benefits related to the favorable settlement in 2017 of certain income tax positions related to PHI's unregulated business interests that were transferred to Generation.
- (14) Represents the excess of the fair value of assets and liabilities acquired over the purchase price for the FitzPatrick acquisition.
- (15) Represents the gain recorded upon deconsolidation of EGTP's net liabilities, which included the previously impaired assets and related debt, as a result of the November 2017 bankruptcy filing.
- (16) Represents the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.
- (17) Represents charges to adjust the environmental reserve associated with future remediation of the West Lake Landfill Superfund Site.
- (18) For ComEd, primarily reflects increased distribution and transmission formula rate revenues (due to increased capital investments and higher electric distribution ROE, which is due to an increase in treasury rates), partially offset by lower revenues resulting from the change to defer and recover over time energy efficiency costs pursuant to the Illinois Future Energy Jobs Act. For BGE and PHI, primarily reflects increased revenue as a result of rate increases.
- (19) Primarily reflects the acquisition of the FitzPatrick nuclear facility.
- (20) Primarily reflects a decrease in fuel prices, partially offset by increased nuclear output as a result of the FitzPatrick acquisition.
- (21) Primarily reflects increased capacity prices in the New England region, partially offset by a decrease in January through May capacity prices in the Mid-Atlantic region.
- (22) Reflects the impact of the New York Clean Energy Standard.
- (23) Primarily reflects lower realized energy prices, the impacts of lower load volumes delivered due to mild weather in the third quarter 2017, the conclusion of the Ginna Reliability Support Services Agreement and the impact of declining natural gas prices on Generation's natural gas portfolio, partially offset by the addition of two combined-cycle gas turbines in Texas.
- (24) For Generation, primarily reflects increased costs related to the acquisition of the FitzPatrick nuclear facility. Additionally, reflects decreased variable compensation costs across the operating companies.
- (25) Primarily reflects an increase in the number of nuclear outage days in 2017, excluding Salem.
- (26) Primarily reflects the unfavorable impact of lower pension and OPEB discount rates, partially offset by the favorable impact of lower health care claims experience.

- (27) For Generation, primarily reflects costs related to the acquisition of FitzPatrick, partially offset by the impact of an increased NEIL insurance credit. For ComEd, primarily reflects the change to defer and recover over time energy efficiency costs pursuant to the Illinois Future Energy Jobs Act. For BGE, primarily reflects certain disallowances contained in 2016 rate case orders and decreased storm costs in the BGE service territory, partially offset by the favorable 2016 settlement of the Baltimore City conduit fee dispute.
- (28) For Generation, reflects increased depreciation for the addition of two combined-cycle gas turbines in Texas, offset by the absence of depreciation related to the EGTP assets. For BGE, primarily reflects increased amortization due to the 2016 initiation of cost recovery of the AMI programs. Additionally, primarily reflects increased depreciation from ongoing capital expenditures across all operating companies.
- (29) For Generation, primarily reflects the impact of project in-service dates on the capitalization of interest. For Corporate, primarily reflects increased interest expense due to higher outstanding debt, as well as debt issuance costs related to the April 2017 remarketing of Junior Subordinated Notes due in 2024.
- (30) For Generation, primarily reflects the unfavorable change in one-time tax adjustments. For PECO, primarily reflects an increase in the repairs tax deduction. Additionally, primarily reflects 2016 favorable adjustments at ComEd and BGE and 2017 impairments at ComEd, BGE, and PHI of certain transmission-related income tax regulatory assets.
- (31) Reflects elimination from Generation's results of activity attributable to noncontrolling interests, primarily for CENG and the Renewables Joint Venture.
- (32) For Generation, primarily reflects higher realized NDT fund gains, partially offset by increased real estate taxes as a result of the FitzPatrick acquisition.
- (33) Reflects the impact on earnings per share due to the increase in Exelon's average diluted common shares outstanding as a result of the June 2017 common stock issuance.

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions)

	Generation					
	Three Months Ended December 31, 2017			Three Months Ended December 31, 2016		
	GAAP (a)	Non-GAAP Adjustments		GAAP (a)	Non-GAAP Adjustments	
Operating revenues	\$ 4,654	\$ 93	(b),(d)	\$ 4,388	\$ 177	(b),(d)
Operating expenses						
Purchased power and fuel	2,403	61	(b),(d),(h)	2,221	184	(b),(h)
Operating and maintenance	1,421	(38)	(e),(g),(j),(h),(o),(p)	1,308	123	(e),(f),(h),(j),(k),(r)
Depreciation and amortization	412	(109)	(h)	550	(251)	(h)
Taxes other than income	130	2	(o)	126	—	
Total operating expenses	<u>4,366</u>			<u>4,205</u>		
Loss on sales of assets	—	—		(89)	89	(h),(r)
Gain on deconsolidation of business	213	(213)	(n)	—	—	
Operating income	<u>501</u>			<u>94</u>		
Other income and (deductions)						
Interest expense, net	(98)	—		(92)	—	
Other, net	299	(244)	(c),(i)	6	37	(c)
Total other income and (deductions)	<u>201</u>			<u>(86)</u>		
Income before income taxes	702			8		
Income taxes	(1,585)	1,724	(b),(c),(d),(e),(g),(h), (i),(j),(n),(o),(p)	(3)	105	(b),(c),(d),(e),(f),(h), (i),(j),(k),(r)
Equity in losses of unconsolidated affiliates	(7)	—		(9)	—	
Net income	2,280			2		
Net income attributable to noncontrolling interests	65	(40)	(q)	43	(61)	(q)
Net income (loss) attributable to membership interest	<u>\$ 2,215</u>			<u>\$ (41)</u>		
	Twelve Months Ended December 31, 2017			Twelve Months Ended December 31, 2016		
	GAAP (a)	Non-GAAP Adjustments		GAAP (a)	Non-GAAP Adjustments	
Operating revenues	\$ 18,466	\$ 170	(b),(d)	\$ 17,751	\$ 553	(b),(d)
Operating expenses						
Purchased power and fuel	9,690	(72)	(b),(d),(h)	8,830	395	(b),(d),(h)
Operating and maintenance	6,291	(669)	(e),(g),(h),(j),(k),(o), (p)	5,641	(213)	(e),(f),(g),(h),(j),(k), (r)
Depreciation and amortization	1,457	(252)	(d),(h)	1,879	(704)	(e),(h)
Taxes other than income	555	2	(o)	506	(1)	(j)
Total operating expenses	<u>17,993</u>			<u>16,856</u>		
Gain (Loss) on sales of assets	2	1	(h)	(59)	57	(h),(r)
Bargain purchase gain	233	(233)	(m)	—	—	
Gain on deconsolidation of business	213	(213)	(n)	—	—	
Operating income	<u>921</u>			<u>836</u>		
Other income and (deductions)						
Interest expense, net	(440)	17	(g),(l)	(364)	—	
Other, net	948	(636)	(c),(i)	401	(230)	(c)
Total other income and (deductions)	<u>508</u>			<u>37</u>		
Income before income taxes	1,429			873		
Income taxes	(1,375)	1,932	(b),(c),(d),(e),(f),(g), (h),(i),(j),(k),(l),(n), (o),(p)	290	320	(b),(c),(d),(e),(f),(g), (h),(i),(j),(k),(r)
Equity in losses of unconsolidated affiliates	(33)	—		(25)	—	
Net income	2,771			558		
Net income attributable to noncontrolling interests	77	(114)	(q)	62	(102)	(q)
Net income attributable to membership interest	<u>\$ 2,694</u>			<u>\$ 496</u>		

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (c) Adjustment to exclude the impact of unrealized gains and losses on NDT fund investments to the extent not offset by contractual accounting as described in the notes to the consolidated financial statements.
- (d) Adjustment to exclude the non-cash amortization of intangible assets, net, primarily related to commodity contracts recorded at fair value related to, in 2016, the Integrys and ConEdison Solutions acquisitions, and in 2017, the ConEdison Solutions and FitzPatrick acquisitions.
- (e) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI and FitzPatrick acquisitions.
- (f) Adjustment to exclude in 2016 a charge related to a 2012 CEG merger commitment, and in 2017, a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2012 CEG acquisition.
- (g) Adjustment to exclude charges to earnings related to the impairment of upstream assets and certain wind projects at Generation in 2016, and in 2017, impairments of the ExGen Texas Power, LLC assets.
- (h) Adjustment to exclude for the three months ended December 31, 2016, incremental accelerated depreciation and amortization expenses from June 2, 2016 through December 6, 2016 pursuant to the second quarter decision to early retire the Clinton and Quad Cities nuclear generation facilities, which decision was reversed in December 2016, partially offset by the reversal of certain one-time charges for materials & supplies inventory reserves and severance reserves upon Generation's decision to continue operating the plants with the passage of the Illinois Zero Emission Standard; and for the twelve months ended December 31, 2016, accelerated depreciation and amortization expenses through December 2016 and construction work in progress impairments associated with Generation's previous decision to early retire the Clinton and Quad Cities nuclear facilities, partially offset by a gain associated with Generation's sale of the New Boston generating site. Additionally, reflects an adjustment to exclude in 2017 accelerated depreciation and amortization expenses, increases to materials and supplies inventory reserves, construction work in progress impairments and charges for severance reserves associated with Generation's decision to early retire the Three Mile Island nuclear facility.
- (i) Adjustment to exclude in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act, a change in the Illinois statutory tax rate and changes in forecasted apportionment.
- (j) Adjustment to exclude severance and reorganization costs related to a cost management program.
- (k) Adjustment to exclude a non-cash benefit pursuant to the annual update of the Generation nuclear decommissioning obligation related to the non-regulatory units.
- (l) Adjustment to exclude benefits related to the favorable settlement in 2017 of certain income tax positions related to PHI's unregulated business interests that were transferred to Generation.
- (m) Adjustment to exclude the excess of the fair value of assets and liabilities acquired over the purchase price for the FitzPatrick acquisition.
- (n) Adjustment to exclude the gain recorded upon deconsolidation of EGTP's net liabilities, which included the previously impaired assets and related debt, as a result of the November 2017 bankruptcy filing.
- (o) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.
- (p) Represents charges to adjust the environmental reserve associated with future remediation of the West Lake Landfill Superfund Site.
- (q) Adjustment to exclude the elimination from Generation's results of the noncontrolling interests related to certain exclusion items, primarily related to the impact of unrealized gains and losses on NDT fund investments at CENG.
- (r) Adjustment to exclude the one-time recognition for a loss on sale of assets and asset impairment charges pursuant to Generation's strategic decision in the fourth quarter of 2016 to narrow the scope and scale of its growth and development activities.

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions)

	ComEd			
	Three Months Ended December 31, 2017		Three Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 1,309	\$ —	\$ 1,223	\$ —
Operating expenses				
Purchased power and fuel	399	—	317	—
Operating and maintenance	332	—	417	(1) (d)
Depreciation and amortization	220	—	201	—
Taxes other than income	73	—	71	—
Total operating expenses	<u>1,024</u>		<u>1,006</u>	
Gain on sales of assets	1	—	—	—
Operating income	<u>286</u>		<u>217</u>	
Other income and (deductions)				
Interest expense, net	(87)	—	(87)	—
Other, net	10	—	8	—
Total other income and (deductions)	<u>(77)</u>		<u>(79)</u>	
Income before income taxes	209		138	
Income taxes	89	(3) (b)	58	—
Net income	<u>\$ 120</u>		<u>\$ 80</u>	
	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 5,536	\$ —	\$ 5,254	\$ (8) (d)
Operating expenses				
Purchased power and fuel	1,641	—	1,458	—
Operating and maintenance	1,427	(2) (d)	1,530	(3) (d)
Depreciation and amortization	850	—	775	—
Taxes other than income	296	—	293	—
Total operating expenses	<u>4,214</u>		<u>4,056</u>	
Gain on sales of assets	1	—	7	—
Operating income	<u>1,323</u>		<u>1,205</u>	
Other income and (deductions)				
Interest expense, net	(361)	14 (c)	(461)	105 (c)
Other, net	22	—	(65)	86 (c)
Total other income and (deductions)	<u>(339)</u>		<u>(526)</u>	
Income before income taxes	984		679	
Income taxes	417	(9) (b),(c),(d)	301	40 (c),(d)
Net income	<u>\$ 567</u>		<u>\$ 378</u>	

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Adjustment to exclude one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act and a change in the Illinois statutory tax rate.
- (c) Adjustment to exclude in 2016 the recognition of a penalty and associated interest expense as a result of a tax court decision on Exelon's like-kind exchange tax position, and in 2017, adjustments to income tax and interest expenses as a result of the finalization of the IRS tax computation related to Exelon's like-kind exchange tax position.

- (d) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI acquisition, partially offset in 2016 at ComEd by the anticipated recovery of previously incurred PHI acquisition costs.

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions)

	PECO			
	Three Months Ended December 31, 2017		Three Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 729	\$ —	\$ 701	\$ —
Operating expenses				
Purchased power and fuel	250	—	238	—
Operating and maintenance	211	(1) (d),(e)	206	(3) (b),(d)
Depreciation and amortization	73	—	69	—
Taxes other than income	38	—	38	—
Total operating expenses	<u>572</u>		<u>551</u>	
Operating income	<u>157</u>		<u>150</u>	
Other income and (deductions)				
Interest expense, net	(33)	—	(31)	—
Other, net	3	—	2	—
Total other income and (deductions)	<u>(30)</u>		<u>(29)</u>	
Income before income taxes	<u>127</u>		<u>121</u>	
Income taxes	20	13 (c),(d),(e)	29	1 (b),(d)
Net income	<u>\$ 107</u>		<u>\$ 92</u>	
	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 2,870	\$ —	\$ 2,994	\$ —
Operating expenses				
Purchased power and fuel	969	—	1,047	—
Operating and maintenance	806	(9) (b),(d),(e)	811	(10) (b),(d)
Depreciation and amortization	286	—	270	—
Taxes other than income	154	—	164	—
Total operating expenses	<u>2,215</u>		<u>2,292</u>	
Operating income	<u>655</u>		<u>702</u>	
Other income and (deductions)				
Interest expense, net	(126)	—	(123)	—
Other, net	9	—	8	—
Total other income and (deductions)	<u>(117)</u>		<u>(115)</u>	
Income before income taxes	<u>538</u>		<u>587</u>	
Income taxes	104	16 (b),(c),(d),(e)	149	4 (b),(d)
Net income	<u>\$ 434</u>		<u>\$ 438</u>	

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI acquisition.
- (c) Adjustment to exclude one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act.
- (d) Adjustment to exclude reorganization costs related to a cost management program.
- (e) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.

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	BGE			
	Three Months Ended December 31, 2017		Three Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 813	\$ —	\$ 812	\$ —
Operating expenses				
Purchased power and fuel	280	—	300	—
Operating and maintenance	184	(2) (b),(d),(e)	149	(3) (b),(d)
Depreciation and amortization	125	—	115	—
Taxes other than income	61	—	58	—
Total operating expenses	650		622	
Operating income	163		190	
Other income and (deductions)				
Interest expense, net	(25)	—	(27)	—
Other, net	4	—	5	—
Total other income and (deductions)	(21)		(22)	
Income before income taxes	142		168	
Income taxes	66	(4) (b),(c),(d),(e)	65	1 (b),(d)
Net income attributable to common shareholder	\$ 76		\$ 103	
	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 3,176	\$ —	\$ 3,233	\$ —
Operating expenses				
Purchased power and fuel	1,133	—	1,294	—
Operating and maintenance	716	(10) (b),(d),(e)	737	(5) (b),(d)
Depreciation and amortization	473	—	423	—
Taxes other than income	240	—	229	—
Total operating expenses	2,562		2,683	
Operating income	614		550	
Other income and (deductions)				
Interest expense, net	(105)	—	(103)	—
Other, net	16	—	21	—
Total other income and (deductions)	(89)		(82)	
Income before income taxes	525		468	
Income taxes	218	(1) (b),(c),(d),(e)	174	2 (b),(d)
Net income	307		294	
Preference stock dividends	—	—	8	—
Net income attributable to common shareholder	\$ 307		\$ 286	

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
(b) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI acquisition.
(c) Adjustment to exclude one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act.
(d) Adjustment to exclude reorganization costs related to a cost management program.
(e) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.

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PHI

	Three Months Ended December 31, 2017		Three Months Ended December 31, 2016	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 1,121	\$ —	\$ 1,078	\$ —
Operating expenses				
Purchased power and fuel	398	—	410	—
Operating and maintenance	292	(12) (e),(f),(g)	310	(17) (c),(d)
Depreciation and amortization	164	—	160	—
Taxes other than income	108	—	107	—
Total operating expenses	<u>962</u>		<u>987</u>	
Loss on sales of assets	—	—	(1)	—
Operating income	<u>159</u>		<u>90</u>	
Other income and (deductions)				
Interest expense, net	(62)	—	(61)	—
Other, net	15	—	13	—
Total other income and (deductions)	<u>(47)</u>		<u>(48)</u>	
Income before income taxes	112		42	
Income taxes	108	(33) (e),(f),(g)	12	5 (c),(d)
Net income	<u>\$ 4</u>		<u>\$ 30</u>	
	Twelve Months Ended December 31, 2017		Twelve Months Ended December 31, 2016 (b)	
	GAAP (a)	Non-GAAP Adjustments	GAAP (a)	Non-GAAP Adjustments
Operating revenues	\$ 4,679	\$ —	\$ 3,643	\$ —
Operating expenses				
Purchased power and fuel	1,716	—	1,447	—
Operating and maintenance	1,068	13 (c),(d),(e),(f),(g)	1,233	(392) (c),(d)
Depreciation and amortization	675	—	515	—
Taxes other than income	452	—	354	—
Total operating expenses	<u>3,911</u>		<u>3,549</u>	
Gain (loss) on sales of assets	1	—	(1)	—
Operating income (loss)	<u>769</u>		<u>93</u>	
Other income and (deductions)				
Interest expense, net	(245)	—	(195)	—
Other, net	54	—	44	—
Total other income and (deductions)	<u>(191)</u>		<u>(151)</u>	
Income (Loss) before income taxes	578		(58)	
Income taxes	217	10 (c),(d),(e),(f),(g)	3	103 (c),(d)
Equity in earnings of unconsolidated affiliates	1		—	
Net income (loss)	<u>\$ 362</u>		<u>\$ (61)</u>	

- (a) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).
- (b) For the twelve months ended December 31, 2016, includes financial results for PHI beginning on March 24, 2016, the day after the merger was completed. Therefore, the results of operations from 2017 and 2016 are not comparable for PHI and Exelon. The explanations below identify any other significant or unusual items affecting the results of operations. PHI consolidated results include Potomac Electric Power Company, Delmarva Power & Light Company, and Atlantic City Electric Company.

- (c) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI acquisition, partially offset in 2017 by the anticipated recovery of previously incurred PHI acquisition costs.
- (d) Adjustment to exclude in 2016 costs incurred as part of the settlement orders approving the PHI acquisition, and in 2017, a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2016 PHI acquisition.
- (e) Adjustment to exclude the impairment of the District of Columbia sponsorship intangible asset.
- (f) Adjustment to exclude to exclude one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act.
- (g) Adjustment to exclude the reversal of previously accrued vacation expenses as a result of a change in Exelon's vacation vesting policy.

EXELON CORPORATION
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions)

	Three Months Ended December 31, 2017		Other (a)	Three Months Ended December 31, 2016	
	GAAP (b)	Non-GAAP Adjustments		GAAP (b)	Non-GAAP Adjustments
	\$	\$		\$	\$
Operating revenues	(245)	—		(327)	—
Operating expenses					
Purchased power and fuel	(222)	—		(308)	—
Operating and maintenance	(45)	—		(19)	8 (d),(e)
Depreciation and amortization	21	—		20	—
Taxes other than income	8	—		8	—
Total operating expenses	(238)	—		(299)	—
(Loss) Gain on sales of assets	(1)	—		1	—
Operating loss	(8)	—		(27)	—
Other income and (deductions)					
Interest expense, net	(60)	—		(58)	—
Other, net	—	—		(1)	—
Total other income and (deductions)	(60)	—		(59)	—
Loss before income taxes	(68)	—		(86)	—
Income taxes	583	(587) (c),(d),(f),(h)		(25)	6 (d),(e),(f),(h)
Equity in earnings of unconsolidated affiliates	1	—		1	—
Net loss	(650)	—		(60)	—
Net income attributable to noncontrolling interests and preference stock dividends	1	—		—	—
Net loss attributable to common shareholders	\$ (651)	\$ —		\$ (60)	\$ —

	Twelve Months Ended December 31, 2017			Twelve Months Ended December 31, 2016	
	GAAP (b)	Non-GAAP Adjustments		GAAP (b)	Non-GAAP Adjustments
	\$	\$		\$	\$
Operating revenues	(1,196)	—		(1,515)	—
Operating expenses					
Purchased power and fuel	(1,114)	—		(1,436)	—
Operating and maintenance	(182)	(9) (d),(e)		96	(226) (d),(e)
Depreciation and amortization	87	—		74	—
Taxes other than income	34	—		30	—
Total operating expenses	(1,175)	(9)		(1,236)	(226)
(Loss) Gain on sales of assets	(1)	—		5	—
Operating loss	(22)	(9)		(274)	(226)
Other income and (deductions)					
Interest expense, net	(283)	27 (g)		(290)	48 (g)
Other, net	7	(2) (g)		4	20 (g)
Total other income and (deductions)	(276)	25		(286)	68
Loss before income taxes	(298)	(9)		(560)	(158)
Income taxes	294	(382) (c),(d),(e),(f),(g),(h)		(156)	69 (d),(e),(f),(g)
Equity in earnings of unconsolidated affiliates	—	—		1	—
Net income (loss)	(592)	(411)		(403)	(158)
Net income attributable to noncontrolling interests and preference stock dividends	2	—		—	—
Net loss attributable to common shareholders	\$ (594)	\$ (411)		\$ (403)	\$ (158)

- (a) Other primarily includes eliminating and consolidating adjustments, Exelon's corporate operations, shared service entities and other financing and investment activities.
- (b) Results reported in accordance with accounting principles generally accepted in the United States (GAAP).

- (c) Adjustment to exclude the mark-to-market impact of Exelon's economic hedging activities, net of intercompany eliminations.
- (d) Adjustment to exclude certain costs associated with mergers and acquisitions, including, if and when applicable, professional fees, employee-related expenses and integration activities related to the PHI acquisition.
- (e) Adjustment to exclude in 2016 costs incurred as part of the settlement orders approving the PHI acquisition, and in 2017, a decrease in reserves for uncertain tax positions related to the deductibility of certain merger commitments associated with the 2016 PHI acquisition.
- (f) Adjustment to exclude in 2016 the non-cash impact of the remeasurement of deferred income taxes as a result of changes in forecasted apportionment related to the PHI acquisition, and in 2017, one-time non-cash impacts associated with remeasurements of deferred income taxes as a result of the Tax Cuts and Jobs Act (including impacts on pension obligations), changes in the Illinois and District of Columbia statutory tax rates and changes in forecasted apportionment.
- (g) Adjustment to exclude in 2016 the recognition of a penalty and associated interest expense as a result of a tax court decision on Exelon's like-kind exchange tax position, and in 2017, adjustments to income tax, penalties and interest expenses as a result of the finalization of the IRS tax computation related to Exelon's like-kind exchange tax position.
- (h) Adjustment to exclude costs related to impairments at Corporate.

EXELON CORPORATION
Exelon Generation Statistics

	Three Months Ended				
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
Supply (in GWhs)					
Nuclear Generation					
Mid-Atlantic ^(a)	16,196	16,480	15,246	16,545	16,410
Midwest	23,922	24,362	22,592	22,468	23,743
New York ^{(a)(e)}	7,410	6,905	6,227	4,491	4,681
Total Nuclear Generation	47,528	47,747	44,065	43,504	44,834
Fossil and Renewables					
Mid-Atlantic	459	596	899	836	442
Midwest	430	218	417	418	442
New England	1,258	1,919	1,925	2,077	1,142
New York	1	1	1	1	1
ERCOT	2,684	5,703	2,315	1,370	1,056
Other Power Regions ^(b)	1,213	2,149	2,084	1,423	1,935
Total Fossil and Renewables	6,045	10,586	7,641	6,125	5,018
Purchased Power					
Mid-Atlantic	961	2,541	2,901	3,398	2,849
Midwest	355	217	413	388	400
New England	4,596	4,513	4,343	5,064	4,768
New York	—	—	—	28	—
ERCOT	1,622	1,199	1,871	2,655	3,189
Other Power Regions ^(b)	4,173	3,982	3,507	2,868	3,308
Total Purchased Power	11,707	12,452	13,035	14,401	14,514
Total Supply/Sales by Region					
Mid-Atlantic ^(c)	17,616	19,617	19,046	20,779	19,701
Midwest ^(c)	24,707	24,797	23,422	23,274	24,585
New England	5,854	6,432	6,268	7,141	5,910
New York	7,411	6,906	6,228	4,520	4,682
ERCOT	4,306	6,902	4,186	4,025	4,245
Other Power Regions ^(b)	5,386	6,131	5,591	4,291	5,243
Total Supply/Sales by Region	65,280	70,785	64,741	64,030	64,366

	Three Months Ended				
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
Outage Days^(d)					
Refueling ^(e)	60	13	125	95	71
Non-refueling ^(e)	18	15	12	8	32
Total Outage Days	78	28	137	103	103

- (a) Includes the proportionate share of output where Generation has an undivided ownership interest in jointly-owned generating plants and includes the total output of plants that are fully consolidated (e.g. CENG).
- (b) Other Power Regions includes, South, West and Canada.
- (c) Includes affiliate sales to PECO, BGE, Pepco, DPL and ACE in the Mid-Atlantic region and affiliate sales to ComEd in the Midwest region.
- (d) Outage days exclude Salem.
- (e) Includes the ownership of the FitzPatrick nuclear facility from March 31, 2017.

EXELON CORPORATION
Exelon Generation Statistics
Twelve Months Ended December 31, 2017 and 2016

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Supply (in GWhs)		
Nuclear Generation		
Mid-Atlantic ^(a)	64,466	63,447
Midwest	93,344	94,668
New York ^{(a)(c)}	25,033	18,684
Total Nuclear Generation	<u>182,843</u>	<u>176,799</u>
Fossil and Renewables		
Mid-Atlantic	2,789	2,731
Midwest	1,482	1,488
New England	7,179	6,968
New York	3	3
ERCOT	12,072	6,785
Other Power Regions	6,869	8,179
Total Fossil and Renewables	<u>30,394</u>	<u>26,154</u>
Purchased Power		
Mid-Atlantic	9,801	16,874
Midwest	1,373	2,255
New England	18,517	16,632
New York	28	—
ERCOT	7,346	10,637
Other Power Regions	14,530	13,589
Total Purchased Power	<u>51,595</u>	<u>59,987</u>
Total Supply/Sales by Region		
Mid-Atlantic ^(b)	77,056	83,052
Midwest ^(b)	96,199	98,411
New England	25,696	23,600
New York	25,064	18,687
ERCOT	19,418	17,422
Other Power Regions	21,399	21,768
Total Supply/Sales by Region	<u><u>264,832</u></u>	<u><u>262,940</u></u>

- (a) Includes the proportionate share of output where Generation has an undivided ownership interest in jointly-owned generating plants and includes the total output of plants that are fully consolidated (e.g. CENG).
- (b) Includes affiliate sales to PECO, BGE, Pepco, DPL and ACE in the Mid-Atlantic region and affiliate sales to ComEd in the Midwest region.
- (c) Includes the ownership of the FitzPatrick nuclear facility from March 31, 2017.

EXELON CORPORATION
ComEd Statistics
Three Months Ended December 31, 2017 and 2016

	Electric Deliveries (in GWhs)				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Retail Deliveries and Sales (a)							
Residential	6,128	6,052	1.3 %	(0.6)%	\$ 637	\$ 578	10.2 %
Small Commercial & Industrial	7,698	7,527	2.3 %	2.2 %	326	310	5.2 %
Large Commercial & Industrial	6,755	6,784	(0.4)%	(0.4)%	109	112	(2.7)%
Public Authorities & Electric Railroads	359	351	2.3 %	2.4 %	11	12	(8.3)%
Total Retail	20,940	20,714	1.1 %	0.5 %	1,083	1,012	7.0 %
Other Revenue (b)					226	211	7.1 %
Total Electric Revenue (c)					\$ 1,309	\$ 1,223	7.0 %
Purchased Power					\$ 399	\$ 317	25.9 %

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	2,166	2,037	2,226	6.3%	(2.7)%
Cooling Degree-Days	29	27	11	7.4%	163.6 %

Twelve Months Ended December 31, 2017 and 2016

	Electric Deliveries (in GWhs)				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Retail Deliveries and Sales (a)							
Residential	26,292	27,790	(5.4)%	(0.9)%	\$ 2,746	\$ 2,597	5.7 %
Small Commercial & Industrial	31,332	31,975	(2.0)%	(0.7)%	1,376	1,316	4.6 %
Large Commercial & Industrial	27,467	27,842	(1.3)%	(0.5)%	461	462	(0.2)%
Public Authorities & Electric Railroads	1,286	1,298	(0.9)%	(0.3)%	44	45	(2.2)%
Total Retail	86,377	88,905	(2.8)%	(0.7)%	4,627	4,420	4.7 %
Other Revenue (b)					909	834	9.0 %
Total Electric Revenue (c)					\$ 5,536	\$ 5,254	5.4 %
Purchased Power					\$ 1,641	\$ 1,458	12.6 %

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	5,435	5,715	6,198	(4.9)%	(12.3)%
Cooling Degree-Days	991	1,157	893	(14.3)%	11.0 %

	2017	2016
Number of Electric Customers		
Residential	3,624,372	3,595,376
Small Commercial & Industrial	378,345	374,644
Large Commercial & Industrial	1,959	2,007
Public Authorities & Electric Railroads	4,775	4,750
Total	4,009,451	3,976,777

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ComEd and customers purchasing electricity from a competitive electric generation supplier, as all customers are assessed delivery charges. For customers purchasing electricity from ComEd, revenue also reflects the cost of energy and transmission.
- (b) Other revenue primarily includes transmission revenue from PJM. Other revenue includes rental revenues, revenues related to late payment charges, revenues from other utilities for mutual assistance programs and recoveries of remediation costs associated with MGP sites.
- (c) Includes operating revenues from affiliates totaling \$3 million and \$3 million for the three months ended December 31, 2017 and 2016, respectively, and \$15 million and \$15 million for the twelve months ended December 31, 2017 and 2016, respectively.

EXELON CORPORATION
PECO Statistics
Three Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	3,084	2,982	3.4 %	(3.3)%	\$ 358	\$ 353	1.4%
Small Commercial & Industrial	1,921	1,863	3.1 %	(1.2)%	98	96	2.1%
Large Commercial & Industrial	3,833	3,665	4.6 %	3.4 %	55	52	5.8%
Public Authorities & Electric Railroads	190	218	(12.8)%	(12.8)%	7	7	—%
Total Retail	9,028	8,728	3.4 %	(0.3)%	518	508	2.0%
Other Revenue (b)					55	52	5.8%
Total Electric Revenue (d)					573	560	2.3%
Natural Gas (in mmcf)							
Retail Deliveries and Sales							
Retail Sales (c)	19,632	17,959	9.3 %	(2.0)%	147	132	11.4%
Transportation and Other	7,260	6,713	8.1 %	8.7 %	9	9	—%
Total Natural Gas (d)	26,892	24,672	9.0 %	2.1 %	156	141	10.6%
Total Electric and Natural Gas Revenues					\$ 729	\$ 701	4.0%
Purchased Power and Fuel					\$ 250	\$ 238	5.0%

Heating and Cooling Degree-Days	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating Degree-Days	1,512	1,425	1,629	6.1%	(7.2)%
Cooling Degree-Days	86	42	19	104.8%	352.6 %

Twelve Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	13,024	13,664	(4.7)%	(1.8)%	\$ 1,505	\$ 1,631	(7.7)%
Small Commercial & Industrial	7,968	8,099	(1.6)%	(1.1)%	401	430	(6.7)%
Large Commercial & Industrial	15,426	15,263	1.1 %	1.4 %	223	234	(4.7)%
Public Authorities & Electric Railroads	809	890	(9.1)%	(9.1)%	30	32	(6.3)%
Total Retail	37,227	37,916	(1.8)%	(0.5)%	2,159	2,327	(7.2)%
Other Revenue (b)					216	204	5.9 %
Total Electric Revenue (d)					2,375	2,531	(6.2)%
Natural Gas (in mmcf)							
Retail Deliveries and Sales							
Retail Sales (c)	58,457	56,447	3.6 %	1.2 %	462	430	7.4 %
Transportation and Other	26,382	27,630	(4.5)%	(2.3)%	33	33	— %
Total Natural Gas (d)	84,839	84,077	0.9 %	0.1 %	495	463	6.9 %
Total Electric and Natural Gas Revenues					\$ 2,870	\$ 2,994	(4.1)%
Purchased Power and Fuel					\$ 969	\$ 1,047	(7.4)%

Heating and Cooling Degree-Days	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating Degree-Days	3,949	4,041	4,603	(2.3)%	(14.2)%
Cooling Degree-Days	1,490	1,726	1,290	(13.7)%	15.5 %

Number of Electric Customers	2017	2016	Number of Natural Gas Customers	2017	2016
Residential	1,469,916	1,456,585	Residential	477,213	472,606
Small Commercial & Industrial	151,552	150,142	Commercial & Industrial	43,892	43,668
Large Commercial & Industrial	3,112	3,096	Total Retail	521,105	516,274
Public Authorities & Electric Railroads	9,569	9,823	Transportation	771	790
Total	<u>1,634,149</u>	<u>1,619,646</u>	Total	<u>521,876</u>	<u>517,064</u>

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from PECO and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from PECO, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Reflects delivery volumes and revenues from customers purchasing natural gas directly from PECO and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from PECO, revenue also reflects the cost of natural gas.
- (d) Total electric revenue includes operating revenues from affiliates totaling \$2 million for both three months ended December 31, 2017 and 2016, respectively, and \$6 million and \$7 million for the twelve months ended December 31, 2017 and 2016, respectively. Total natural gas revenue includes operating revenues from affiliates totaling less than \$1 million for both three months ended December 31, 2017 and 2016 and \$1 million for both twelve months ended December 31, 2017 and 2016.

EXELON CORPORATION
BGE Statistics
Three Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	2,968	2,744	8.2 %	1.4 %	\$ 333	\$ 350	(4.9)%
Small Commercial & Industrial	711	697	2.0 %	0.5 %	64	65	(1.5)%
Large Commercial & Industrial	3,267	3,330	(1.9)%	(0.9)%	106	112	(5.4)%
Public Authorities & Electric Railroads	64	67	(4.5)%	(4.6)%	8	9	(11.1)%
Total Retail	<u>7,010</u>	<u>6,838</u>	2.5 %	0.1 %	<u>511</u>	<u>536</u>	(4.7)%
Other Revenue (b)(c)							
Total Electric Revenue					<u>83</u>	<u>75</u>	10.7 %
					<u>594</u>	<u>611</u>	(2.8)%
Natural Gas (in mmcfs)							
Retail Deliveries and Sales (d)							
Retail Sales	28,717	27,394	4.8 %	(1.4)%	210	190	10.5 %
Transportation and Other (e)	1,152	1,898	(39.3)%	n/a	9	11	(18.2)%
Total Natural Gas (f)	<u>29,869</u>	<u>29,292</u>	2.0 %	(1.4)%	<u>219</u>	<u>201</u>	9.0 %
Total Electric and Natural Gas Revenues					<u>\$ 813</u>	<u>\$ 812</u>	0.1 %
Purchased Power and Fuel					<u>\$ 280</u>	<u>\$ 300</u>	(6.7)%
% Change							
Heating and Cooling Degree-Days	2017	2016	Normal		From 2016	From Normal	
Heating Degree-Days	1,666	1,549	1,674		7.6%	(0.5)%	
Cooling Degree-Days	63	32	25		96.9%	152.0 %	

Twelve Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather-Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	12,094	12,740	(5.1)%	(2.8)%	\$ 1,428	\$ 1,554	(8.1)%
Small Commercial & Industrial	2,921	3,040	(3.9)%	(4.9)%	266	277	(4.0)%
Large Commercial & Industrial	13,688	13,957	(1.9)%	(2.4)%	450	449	0.2 %
Public Authorities & Electric Railroads	268	283	(5.3)%	(3.0)%	31	35	(11.4)%
Total Retail	<u>28,971</u>	<u>30,020</u>	(3.5)%	(2.8)%	<u>2,175</u>	<u>2,315</u>	(6.0)%
Other Revenue (b)(c)							
Total Electric Revenue					<u>314</u>	<u>294</u>	6.8 %
					<u>2,489</u>	<u>2,609</u>	(4.6)%
Natural Gas (in mmcfs)							
Retail Deliveries and Sales (d)							
Retail Sales	89,337	96,808	(7.7)%	(4.2)%	655	593	10.5 %
Transportation and Other (e)	3,615	5,977	(39.5)%	n/a	32	31	3.2 %
Total Natural Gas (f)	<u>92,952</u>	<u>102,785</u>	(9.6)%	(4.2)%	<u>687</u>	<u>624</u>	10.1 %
Total Electric and Natural Gas Revenues					<u>\$ 3,176</u>	<u>\$ 3,233</u>	(1.8)%
Purchased Power and Fuel					<u>\$ 1,133</u>	<u>\$ 1,294</u>	(12.4)%
% Change							
Heating and Cooling Degree-Days	2017	2016	Normal		From 2016	From Normal	
Heating Degree-Days	4,190	4,427	4,666		(5.4)%	(10.2)%	
Cooling Degree-Days	940	998	875		(5.8)%	7.4 %	
Number of Electric Customers							
	2017	2016	Number of Natural Gas Customers		2017	2016	
Residential	1,160,783	1,150,096	Residential		629,690	623,647	
Small Commercial & Industrial	113,594	113,230	Commercial & Industrial		44,247	44,255	
Large Commercial & Industrial	12,155	12,053	Total Retail		673,937	667,902	
Public Authorities & Electric Railroads	272	280	Transportation		—	—	
Total	<u>1,286,804</u>	<u>1,275,659</u>	Total		<u>673,937</u>	<u>667,902</u>	

- (a) Reflects delivery volumes and revenue from customers purchasing electricity directly from BGE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from BGE, revenue also reflects the cost of energy and transmission.
- (b) Other revenue primarily includes wholesale transmission revenue and late payment charges.
- (c) Includes operating revenues from affiliates totaling \$1 million for both the three months ended December 31, 2017 and 2016 and \$5 million and \$7 million for the twelve months ended December 31, 2017 and 2016, respectively.
- (d) Reflects delivery volumes and revenues from customers purchasing natural gas directly from BGE and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from BGE, revenue also reflects the cost of natural gas.
- (e) Transportation and other natural gas revenue includes off-system revenue of 1,152 mmcfs (\$6 million) and 1,898 mmcfs (\$8 million) for the three months ended December 31, 2017 and 2016, respectively, and 3,615 mmcfs (\$21 million) and 5,977 mmcfs (\$23 million) for the twelve months ended December 31, 2017 and 2016, respectively.
- (f) Includes operating revenues from affiliates totaling \$4 million for both the three months ended December 31, 2017 and 2016 and \$11 million and \$14 million for the twelve months ended December 31, 2017 and 2016, respectively.

EXELON CORPORATION
Pepco Statistics
Three Months Ended December 31, 2017 and 2016

	Electric Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	1,793	1,720	4.2 %	(1.7)%	\$ 212	\$ 209	1.4 %
Small Commercial & Industrial	304	335	(9.3)%	(11.2)%	34	34	— %
Large Commercial & Industrial	3,682	3,669	0.4 %	(0.9)%	202	190	6.3 %
Public Authorities & Electric Railroads	192	180	6.7 %	6.1 %	9	9	— %
Total Retail	5,971	5,904	1.1 %	(1.6)%	457	442	3.4 %
Other Revenue (b)							
Total Electric Revenue (c)					509	491	3.7 %
Purchased Power							
					\$ 137	\$ 143	(4.2)%

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	1,350	1,217	1,392	10.9%	(3.0)%
Cooling Degree-Days	88	64	42	37.5%	109.5 %

Twelve Months Ended December 31, 2017 and 2016

	Electric Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	7,831	8,372	(6.5)%	(2.5)%	\$ 956	\$ 1,000	(4.4)%
Small Commercial & Industrial	1,303	1,459	(10.7)%	(9.0)%	147	150	(2.0)%
Large Commercial & Industrial	14,988	15,559	(3.7)%	(2.5)%	810	803	0.9 %
Public Authorities & Electric Railroads	734	724	1.4 %	1.4 %	33	32	3.1 %
Total Retail	24,856	26,114	(4.8)%	(2.8)%	1,946	1,985	(2.0)%
Other Revenue (b)							
Total Electric Revenue (c)					212	201	5.5 %
Purchased Power							
					\$ 614	\$ 706	(13.0)%

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	3,312	3,624	3,869	(8.6)%	(14.4)%
Cooling Degree-Days	1,767	1,936	1,653	(8.7)%	6.9 %

	2017	2016
	Number of Electric Customers	
Residential	792,211	780,652
Small Commercial & Industrial	53,489	53,529
Large Commercial & Industrial	21,732	21,391
Public Authorities & Electric Railroads	144	130
Total	867,576	855,702

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from Pepco and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from Pepco, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Includes operating revenues from affiliates totaling \$2 million and \$1 million for the three months ended December 31, 2017 and 2016, respectively, and \$6 million and \$5 million for the twelve months ended December 31, 2017 and 2016, respectively.

EXELON CORPORATION
DPL Statistics
Three Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	1,167	1,115	4.7 %	(1.2)%	\$ 154	\$ 147	4.8 %
Small Commercial & Industrial	544	544	— %	(1.8)%	47	45	4.4 %
Large Commercial & Industrial	1,145	1,131	1.2 %	0.2 %	24	24	— %
Public Authorities & Electric Railroads	9	12	(25.0)%	(18.2)%	3	3	— %
Total Retail	2,865	2,802	2.2 %	(0.8)%	228	219	4.1 %
Other Revenue (b)					46	38	21.1 %
Total Electric Revenue (c)					274	257	6.6 %
Natural Gas (in mmcfs)							
Retail Deliveries and Sales (d)							
Retail Sales	4,428	4,086	8.4 %	2.3 %	49	40	22.5 %
Transportation and Other (e)	1,848	1,748	5.7 %	4.2 %	7	6	16.7 %
Total Natural Gas	6,276	5,834	7.6 %	2.8 %	56	46	21.7 %
Total Electric and Natural Gas Revenues					\$ 330	\$ 303	8.9 %
Purchased Power and Fuel					\$ 133	\$ 135	(1.5)%
Electric Service Territory							
Heating and Cooling Degree-Days							
	2017	2016	Normal		% Change		
					From 2016	From Normal	
Heating Degree-Days	1,601	1,507	1,586		6.2%	0.9%	
Cooling Degree-Days	72	43	26		67.4%	176.9%	
Gas Service Territory							
Heating Degree-Days							
	2017	2016	Normal		% Change		
					From 2016	From Normal	
Heating Degree-Days	1,632	1,542	1,677		5.8%	(2.7)%	

Twelve Months Ended December 31, 2017 and 2016

	Electric and Natural Gas Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	5,010	5,181	(3.3)%	(0.3)%	\$ 660	\$ 668	(1.2)%
Small Commercial & Industrial	2,237	2,290	(2.3)%	(0.9)%	185	187	(1.1)%
Large Commercial & Industrial	4,585	4,623	(0.8)%	0.3 %	102	98	4.1 %
Public Authorities & Electric Railroads	44	46	(4.3)%	(8.3)%	14	13	7.7 %
Total Retail	11,876	12,140	(2.2)%	(0.2)%	961	966	(0.5)%
Other Revenue (b)					178	163	9.2 %
Total Electric Revenue (c)					1,139	1,129	0.9 %
Natural Gas (in mmcfs)							
Retail Deliveries and Sales (d)							
Retail Sales	13,107	13,341	(1.8)%	5.2 %	136	127	7.1 %
Transportation and Other (e)	6,538	6,201	5.4 %	6.9 %	25	21	19.0 %
Total Natural Gas	19,645	19,542	0.5 %	5.7 %	161	148	8.8 %
Total Electric and Natural Gas Revenues					\$ 1,300	\$ 1,277	1.8 %
Purchased Power and Fuel					\$ 532	\$ 583	(8.7)%
Electric Service Territory							
Heating and Cooling Degree-Days							
	2017	2016	Normal		% Change		
					From 2016	From Normal	
Heating Degree-Days	4,077	4,319	4,519		(5.6)%	(9.8)%	
Cooling Degree-Days	1,300	1,453	1,210		(10.5)%	7.4 %	
Gas Service Territory							
Heating Degree-Days							
	2017	2016	Normal		% Change		
					From 2016	From Normal	
Heating Degree-Days	4,203	4,454	4,739		(5.6)%	(11.3)%	

Number of Electric Customers	2017	2016	Number of Natural Gas Customers	2017	2016
Residential	459,389	456,181	Residential	122,347	120,951
Small Commercial & Industrial	60,697	60,173	Commercial & Industrial	9,853	9,801
Large Commercial & Industrial	1,400	1,411	Total Retail	132,200	130,752
Public Authorities & Electric Railroads	629	643	Transportation	154	156
Total	<u>522,115</u>	<u>518,408</u>	Total	<u>132,354</u>	<u>130,908</u>

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from DPL and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from DPL, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Includes operating revenues from affiliates totaling \$2 million and \$1 million for the three months ended December 31, 2017 and 2016, respectively, and \$8 million and \$7 million for the twelve months ended December 31, 2017 and 2016, respectively.
- (d) Reflects delivery volumes and revenues from customers purchasing natural gas directly from DPL and customers purchasing natural gas from a competitive natural gas supplier as all customers are assessed distribution charges. For customers purchasing natural gas from DPL, revenue also reflects the cost of natural gas.
- (e) Transportation and other revenue includes off-system natural gas sales and the short-term release of interstate pipeline transportation and storage capacity not needed to serve customers.

EXELON CORPORATION
ACE Statistics
Three Months Ended December 31, 2017 and 2016

	Electric Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	811	826	(1.8)%	(6.9)%	\$ 136	\$ 134	1.5 %
Small Commercial & Industrial	294	457	(35.7)%	(36.9)%	37	50	(26.0)%
Large Commercial & Industrial	842	697	20.8 %	19.5 %	46	43	7.0 %
Public Authorities & Electric Railroads	14	14	— %	— %	3	3	— %
Total Retail	1,961	1,994	(1.7)%	(4.5)%	222	230	(3.5)%
Other Revenue (b)					50	45	11.1 %
Total Electric Revenue (c)					272	275	(1.1)%
Purchased Power					\$ 128	\$ 133	(3.8)%

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	1,598	1,549	1,611	3.2%	(0.8)%
Cooling Degree-Days	75	36	23	108.3%	226.1 %

Twelve Months Ended December 31, 2017 and 2016

	Electric Deliveries				Revenue (in millions)		
	2017	2016	% Change	Weather - Normal % Change	2017	2016	% Change
Electric (in GWhs)							
Retail Deliveries and Sales (a)							
Residential	3,853	4,153	(7.2)%	(6.2)%	\$ 619	\$ 664	(6.8)%
Small Commercial & Industrial	1,286	1,455	(11.6)%	(11.1)%	166	183	(9.3)%
Large Commercial & Industrial	3,399	3,402	(0.1)%	0.4 %	189	201	(6.0)%
Public Authorities & Electric Railroads	47	49	(4.1)%	(4.1)%	13	13	— %
Total Retail	8,585	9,059	(5.2)%	(4.5)%	987	1,061	(7.0)%
Other Revenue (b)					199	196	1.5 %
Total Electric Revenue (c)					1,186	1,257	(5.6)%
Purchased Power					\$ 570	\$ 651	(12.4)%

	2017	2016	Normal	% Change	
				From 2016	From Normal
Heating and Cooling Degree-Days					
Heating Degree-Days	4,206	4,487	4,713	(6.3)%	(10.8)%
Cooling Degree-Days	1,228	1,303	1,115	(5.8)%	10.1 %

	2017	2016
Number of Electric Customers		
Residential	487,168	484,240
Small Commercial & Industrial	61,013	61,008
Large Commercial & Industrial	3,684	3,763
Public Authorities & Electric Railroads	636	610
Total	552,501	549,621

- (a) Reflects delivery volumes and revenues from customers purchasing electricity directly from ACE and customers purchasing electricity from a competitive electric generation supplier as all customers are assessed distribution charges. For customers purchasing electricity from ACE, revenue also reflects the cost of energy and transmission.
- (b) Other revenue includes transmission revenue from PJM and wholesale electric revenues.
- (c) Includes operating revenues from affiliates totaling \$1 million and \$1 million for the three months ended December 31, 2017 and 2016, respectively, and \$2 million and \$3 million for the twelve months ended December 31, 2017 and 2016, respectively.