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

	June 30, 2006	December 31, 2005
Current assets		
Cash and cash equivalents	$ 282	$ 140
Restricted cash and investments	48	49
Accounts receivable, net		
Customer	1,609	1,858
Other	265	337
Mark-to-market derivative assets	737	916
Inventories, at average cost		
Fossil fuel	282	311
Materials and supplies	381	351
Deferred income taxes	114	80
Other	540	595
Total current assets	**4,258**	**4,637**
Property, plant and equipment, net	**22,122**	**21,981**
Deferred debits and other assets		
Regulatory assets	4,093	4,386
Nuclear decommissioning trust funds	5,809	5,585
Investments	819	813
Goodwill	3,476	3,475
Mark-to-market derivative assets	586	371
Prepaid pension asset	374	377
Other	753	824
Total deferred debits and other assets	**15,910**	**15,831**
Total assets	**$42,290**	**$ 42,449**
Liabilities and shareholders' equity		
Current liabilities		
Commercial paper and notes payable	$ 1,184	$ 1,290
Long-term debt due within one year	554	407
Long-term debt to ComEd Transitional Funding Trust and PECO Energy Transition Trust due within one year	577	507
Accounts payable	1,195	1,467
Mark-to-market derivative liabilities	885	1,282
Accrued expenses	1,070	1,005
Other	838	605
Total current liabilities	**6,303**	**6,563**
Long-term debt	**7,904**	**7,759**
Long-term debt to ComEd Transitional Funding Trust and PECO Energy Transition Trust	**2,963**	**3,456**
Long-term debt to other financing trusts	**545**	**545**
Deferred credits and other liabilities		
Deferred income taxes	4,957	4,816
Unamortized investment tax credits	256	262
Asset retirement obligations	3,676	4,157
Pension obligations	292	268
Non-pension postretirement benefits obligations	1,086	1,014
Spent nuclear fuel obligation	926	906
Regulatory liabilities	2,293	2,170
Mark-to-market derivative liabilities	504	522
Other	763	798
Total deferred credits and other liabilities	**14,753**	**14,913**
Total liabilities	**32,468**	**33,236**
Minority interest of consolidated subsidiaries	**—**	**1**
Preferred securities of subsidiaries	**87**	**87**

Source: EXELON CORP, 8-K, July 31, 2006

Shareholders' equity		
Common stock	8,166	7,987
Treasury stock, at cost	(497)	(444)
Retained earnings	3,443	3,206
Accumulated other comprehensive loss	(1,377)	(1,624)
Total shareholders' equity	**9,735**	**9,125**
Total liabilities and shareholders' equity	**$42,290**	**$ 42,449**

Source: EXELON CORP, 8-K, July 31, 2006

EXELON CORPORATION
Consolidated Statements of Cash Flows
(in millions)

	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
Cash flows from operating activities		
Net income	$ 1,044	$ 1,035
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Depreciation, amortization and accretion, including nuclear fuel	1,060	961
Deferred income taxes and amortization of investment tax credits	(81)	528
Provision for uncollectible accounts	42	22
Equity in losses of unconsolidated affiliates	61	68
Gains on sales of investments and wholly owned subsidiaries	(2)	(17)
Net realized (gains) losses on nuclear decommissioning trust funds	11	(55)
Other decommissioning-related activities	(149)	13
Impairment charges	117	—
Other non-cash operating activities	32	27
Changes in assets and liabilities:		
Accounts receivable	230	53
Inventories	11	26
Other current assets	(136)	(136)
Accounts payable, accrued expenses and other current liabilities	(406)	(211)
Counterparty collateral asset	178	(20)
Counterparty collateral liability	5	7
Income taxes	300	24
Net realized and unrealized mark-to-market and hedging transactions	(69)	(74)
Pension and non-pension postretirement benefits	99	(1,927)
Other noncurrent assets and liabilities	(159)	(38)
Net cash flows provided by operating activities	2,188	286
Cash flows from investing activities		
Capital expenditures	(1,156)	(1,007)
Proceeds from nuclear decommissioning trust fund assets sales	2,554	2,149
Investment in nuclear decommissioning trust funds	(2,706)	(2,256)
Acquisition of businesses, net of cash acquired	—	(97)
Proceeds from sales of investments and wholly owned subsidiaries, net of $32 million of cash sold during the six months ended June 30, 2005	1	103
Investment in synthetic fuel-producing facilities	(53)	(56)
Change in restricted cash	1	23
Other investing activities	(1)	(2)
Net cash flows used in investing activities	(1,360)	(1,143)
Cash flows from financing activities		
Issuance of long-term debt	326	1,788
Retirement of long-term debt	(34)	(185)
Retirement of long-term debt to financing affiliates	(422)	(397)
Issuance of short-term debt	—	2,500
Retirement of short-term debt	—	(2,200)
Change in other short-term debt	(106)	(161)
Dividends paid on common stock	(535)	(535)
Proceeds from employee stock plans	107	156
Purchase of treasury stock	(53)	(8)
Other financing activities	31	(55)
Net cash flows provided by (used in) financing activities	(686)	903
Increase in cash and cash equivalents	142	46
Cash and cash equivalents at beginning of period	140	499
Cash and cash equivalents at end of period	$ 282	$ 545

Source: EXELON CORP, 8-K, July 31, 2006

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating Earnings to GAAP Consolidated Statements of Income
(unaudited)
(in millions, except per share data)

	Three Months Ended June 30, 2006				Three Months Ended June 30, 2005			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
Operating revenues	$3,697	$ (3)	(b)	$ 3,694	$3,484	$ —		$ 3,484
Operating expenses								
Purchased power	571	49	(b)	620	663	15	(b)	678
Fuel	502	9	(b)	511	493	(37)	(b)	456
Operating and maintenance	881	43	(c),(d),(e)	924	929	(16)	(c),(d),(g)	913
Depreciation and amortization	371	(14)	(c),(d)	357	325	(19)	(c),(d)	306
Taxes other than income	170	—		170	177	—		177
Total operating expenses	2,495	87		2,582	2,587	(57)		2,530
Operating income	1,202	(90)		1,112	897	57		954
Other income and deductions								
Interest expense	(222)	4	(c),(f)	(218)	(210)	4	(c)	(206)
Equity in losses of unconsolidated affiliates	(22)	16	(c)	(6)	(32)	28	(c)	(4)
Other, net	46	(24)	(c)	22	68	—		68
Total other income and deductions	(198)	(4)		(202)	(174)	32		(142)
Income from continuing operations before income taxes	1,004	(94)		910	723	89		812
Income taxes	363	(30)	(b),(c),(d),(e),(f)	333	207	98	(b),(c),(d),(g)	305
Income from continuing operations	641	(64)		577	516	(9)		507
Income (loss) from discontinued operations	3	(3)	(f)	—	(2)	1	(f)	(1)
Net income	$ 644	$ (67)		$ 577	$ 514	$ (8)		$ 506
Earnings per average common share								
Basic:	$ 0.96	$ (0.10)		$ 0.86	$ 0.77	$ (0.01)		$ 0.76
Diluted:	$ 0.95	$ (0.10)		$ 0.85	$ 0.76	$ (0.01)		$ 0.75
Average common shares outstanding								
Basic	670			670	670			670
Diluted	676			676	677			677
Effect of adjustments on earnings per average diluted common share recorded in accordance with GAAP:								
Mark-to-market (b)		$ 0.06				$ (0.02)		
Investments in synthetic fuel-producing facilities (c)		(0.08)				0.04		
PSEG merger costs (d)		(0.01)				(0.01)		
Nuclear decommissioning obligation reduction (e)		0.13				—		
Severance charges and financial impact of Sithe (f),(g)		—				—		
Total adjustments		$ 0.10				$ 0.01		

(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 non-trading activities.

(c) Adjustment to exclude the financial impact of Exelon's investments in synthetic fuel-producing facilities, including the impact of mark-to-market gains associated with the related derivatives.

(d) Adjustment to exclude certain costs associated with Exelon's anticipated merger with Public Service Enterprise Group, Inc. (PSEG).

(e) Adjustment to exclude the decrease in Generation's nuclear decommissioning obligation liability related to the AmerGen nuclear plants.

(f) Adjustment to exclude the financial impact of Generation's prior investment in Sithe Energies, Inc. (Sithe) (sold in January 2005).

(g) Adjustment to exclude severance charges.

Source: EXELON CORP, 8-K, July 31, 2006

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating Earnings to GAAP Consolidated Statements of Income
(unaudited)
(in millions, except per share data)

	Six Months Ended June 30, 2006				Six Months Ended June 30, 2005			
	GAAP (a)	Adjustments		Adjusted Non-GAAP	GAAP (a)	Adjustments		Adjusted Non-GAAP
Operating revenues	$7,559	$ 8	(b)	$ 7,567	$7,045	$ —		$ 7,045
Operating expenses								
Purchased power	1,096	88	(b)	1,184	1,232	(4)	(b)	1,228
Fuel	1,438	(52)	(b)	1,386	1,115	45	(b)	1,160
Operating and maintenance	1,906	33	(c),(d),(e),(f)	1,939	1,877	(33)	(c),(d),(f)	1,844
Depreciation and amortization	735	(35)	(c),(d)	700	644	(37)	(c),(d)	607
Taxes other than income	364	—		364	349	—		349
Total operating expenses	5,539	34		5,573	5,217	(29)		5,188
Operating income	2,020	(26)		1,994	1,828	29		1,857
Other income and deductions								
Interest expense	(445)	12	(c),(g)	(433)	(399)	8	(c)	(391)
Equity in losses of unconsolidated affiliates	(61)	46	(c)	(15)	(68)	56	(c)	(12)
Other, net	91	(49)	(c),(d)	42	97	—		97
Total other income and deductions	(415)	9		(406)	(370)	64		(306)
Income from continuing operations before income taxes	1,605	(17)		1,588	1,458	93		1,551
Income taxes	564	27	(b),(c),(d),(e),(f),(g)	591	435	156	(b),(c),(d),(f)	591
Income from continuing operations	1,041	(44)		997	1,023	(63)		960
Income (loss) from discontinued operations	3	(3)	(g)	—	12	(15)	(g)	(3)
Net income	$1,044	$ (47)		$ 997	$1,035	$ (78)		$ 957
Earnings per average common share								
Basic:								
Income from continuing operations	$ 1.56	$ (0.07)		$ 1.49	$ 1.53	$ (0.09)		$ 1.44
Income (loss) from discontinued operations	—	—		—	0.02	(0.02)		—
Net income	$ 1.56	$ (0.07)		$ 1.49	$ 1.55	$ (0.11)		$ 1.44
Diluted:								
Income from continuing operations	$ 1.55	$ (0.07)		$ 1.48	$ 1.51	$ (0.09)		$ 1.42
Income (loss) from discontinued operations	—	—		—	0.02	(0.02)		—
Net income	$ 1.55	$ (0.07)		$ 1.48	$ 1.53	$ (0.11)		$ 1.42
Average common shares outstanding								
Basic	669			669	669			669
Diluted	675			675	676			676
Effect of adjustments on earnings per average *diluted common share* recorded in accordance with GAAP:								
Mark-to-market (b)		$ 0.03				$ 0.03		
Investments in synthetic fuel-producing facilities (c)		(0.06)				0.07		
PSEG merger costs (d)		(0.02)				(0.01)		
Nuclear decommissioning obligation reduction (e)		0.13				—		
Severance charges and financial impact of Sithe (f),(g)		(0.01)				0.02		
Total adjustments		$ 0.07				$ 0.11		

(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 non-trading activities.

(c) Adjustment to exclude the financial impact of Exelon's investments in synthetic fuel-producing facilities, including the impact of mark-to-market gains associated with the related derivatives.

(d) Adjustment to exclude certain costs associated with Exelon's anticipated merger with PSEG.

(e) Adjustment to exclude the decrease in Generation's nuclear decommissioning obligation liability related to the AmerGen nuclear plants.

(f) Adjustment to exclude severance charges.

(g) Adjustment to exclude the financial impact of Generation's prior investment in Sithe (sold in January 2005).

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating Earnings
Per Diluted Share to GAAP Earnings Per Diluted Share
Three Months Ended June 30, 2006 and 2005

2005 GAAP Earnings per Diluted Share	**$ 0.76**
2005 Adjusted (non-GAAP) Operating Earnings Adjustments:	
Mark-to-Market (1)	0.02
Investments in Synthetic Fuel-Producing Facilities (2)	(0.04)
Charges Associated with Exelon's Anticipated Merger with PSEG (3)	0.01
2005 Adjusted (non-GAAP) Operating Earnings	**0.75**
Year Over Year Effects on Earnings:	
ComEd Energy Margins:	
Weather (4)	(0.03)
Other Energy Delivery (5)	0.04
Net SECA Revenues (6)	(0.01)
PECO Energy Margins:	
Weather (7)	(0.01)
Other Energy Delivery (8)	0.04
Generation Energy Margins, Excluding Mark-to-Market (9)	0.16
Stock-Based Compensation (10)	(0.02)
Asbestos Reserve (11)	0.04
Other Operating and Maintenance Expense (12)	(0.03)
Depreciation and Amortization (13)	(0.05)
Interest Expense (14)	(0.01)
Nuclear Decommissioning Trust Fund Rebalancing (15)	(0.03)
Taxes Other Than Income (16)	0.01
2006 Adjusted (non-GAAP) Operating Earnings	**0.85**
2006 Adjusted (non-GAAP) Operating Earnings Adjustments:	
Mark-to-Market (1)	0.06
Investments in Synthetic Fuel-Producing Facilities (2)	(0.08)
Charges Associated with Exelon's Anticipated Merger with PSEG (3)	(0.01)
Nuclear Decommissioning Obligation Reduction (17)	0.13
2006 GAAP Earnings per Diluted Share	**$ 0.95**

(1) Reflects the mark-to-market impact of Exelon's non-trading activities.

(2) Reflects the financial impact of Exelon's investments in synthetic fuel-producing facilities, including the impact of mark-to-market gains associated with the related derivatives and a $69 million impairment charge (after tax) in 2006.

(3) Reflects certain costs incurred in connection with Exelon's proposed merger with PSEG.

(4) Reflects unfavorable weather conditions in the ComEd service territory.

(5) Reflects increased revenues net of fuel at ComEd primarily due to changes in customer usage and mix, increased residential deliveries (excluding the impact of weather) and increased net transmission revenues. Although customer rates are frozen through 2006, average effective customer rates fluctuate due to the usage patterns of customers. Excludes the effects of the 2006 change in the purchased power agreement with Generation.

(6) Reflects a decrease in net recognized SECA revenues.

(7) Reflects unfavorable weather conditions in the PECO service territory.

(8) Reflects increased revenues at PECO primarily due to authorized electric rate increases, including scheduled CTC rate increases in accordance with PECO's 1998 restructuring settlement with the PAPUC.

(9) Reflects higher realized prices on market sales and higher nuclear volumes at Generation. Excludes the impact of the 2006 change in the purchased power agreement with ComEd.

(10) Reflects increased stock-based compensation costs.

(11) Reflects the 2005 impact on net income of a reserve recorded by Generation for estimated future asbestos-related bodily injury claims.

Source: EXELON CORP, 8-K, July 31, 2006

(12) Reflects increased operating and maintenance expense primarily due to inflation and increased bad debt expense at PECO.

(13) Reflects increased depreciation and amortization primarily due to increased CTC amortization at PECO.

(14) Reflects increased interest expense, primarily at Generation.

(15) Reflects the 2005 impact on net income of gains realized on AmerGen's decommissioning trust fund investments related to changes to the investment strategy.

(16) Reflects decreased taxes other than income primarily due to favorable tax settlements at PECO in 2006.

(17) Reflects a decrease in Generation's nuclear decommissioning obligation liability related to the AmerGen nuclear plants.

EXELON CORPORATION
Reconciliation of Adjusted (non-GAAP) Operating Earnings to GAAP Earnings By Business Segment (in millions)
Three Months Ended June 30, 2006 and 2005

	ComEd	PECO	Generation	Other	Exelon
2005 GAAP Earnings	**$ 109**	**$ 110**	**$ 296**	**$ (1)**	**$ 514**
2005 Adjusted (non-GAAP) Operating Earnings					
Adjustments:					
Mark-to-Market (1)	—	—	14	—	14
Investments in Synthetic Fuel-Producing Facilities (2)	—	—	—	(29)	(29)
Charges Associated with Exelon's Anticipated Merger with PSEG (3)	—	4	1	—	5
Severance Charges (4)	(2)	—	1	2	1
2005 Financial Impact of Generation's Prior Investment in Sithe (5)	—	—	1	—	1
2005 Adjusted (non-GAAP) Operating Earnings	**107**	**114**	**313**	**(28)**	**506**
Year Over Year Effects on Earnings:					
ComEd and PECO Energy Margins:					
Weather (6)	(20)	(6)	—	—	(26)
Other Energy Delivery (7)	26	24	—	—	50
Net SECA Revenues (8)	(4)	1	—	—	(3)
Generation Energy Margins, Excluding Mark-to-Market (9)	—	—	110	—	110
ComEd and Generation PPA Rate Change (10)	30	—	(30)	—	—
Stock-Based Compensation (11)	(4)	(1)	(6)	—	(11)
Pension and Non-Pension Postretirement Benefits Expense (12)	1	—	(1)	(1)	(1)
Asbestos Reserve (13)	—	—	27	—	27
Other Operating and Maintenance Expense (14)	(4)	(14)	(11)	6	(23)
Depreciation and Amortization (15)	(3)	(23)	(6)	(1)	(33)
Interest Expense (16)	1	3	(6)	(2)	(4)
Nuclear Decommissioning Trust Fund Rebalancing (17)	—	—	(21)	—	(21)
Taxes Other Than Income (18)	1	5	(1)	—	5
Other	(5)	(7)	7	6	1
2006 Adjusted (non-GAAP) Operating Earnings	**126**	**96**	**375**	**(20)**	**577**
2006 Adjusted (non-GAAP) Operating Earnings					
Adjustments:					
Mark-to-Market (1)	2	—	36	—	38
Investments in Synthetic Fuel-Producing Facilities (2)	—	—	—	(55)	(55)
Charges Associated with Exelon's Anticipated Merger with PSEG (3)	(1)	(3)	(2)	(1)	(7)
Nuclear Decommissioning Obligation Reduction (19)	—	—	89	—	89
2006 Financial Impact of Generation's Prior Investment in Sithe (5)	—	—	2	—	2
2006 GAAP Earnings	**$ 127**	**$ 93**	**$ 500**	**$ (76)**	**$ 644**

(1) Reflects the mark-to-market impact of Exelon's non-trading activities.

(2) Reflects the financial impact of Exelon's investments in synthetic fuel-producing facilities, including the impact of mark-to-market gains associated with the related derivatives and a $69 million impairment charge (after tax) in 2006.

(3) Reflects certain costs incurred in connection with Exelon's proposed merger with PSEG.

(4) Reflects severance charges recorded during the period or adjustments to previously recorded severance reserves.

Source: EXELON CORP, 8-K, July 31, 2006

(5) Reflects the financial impact of Generation's prior investment in Sithe (sold in January 2005).

(6) Reflects unfavorable weather conditions in the ComEd and PECO service territories.

(7) Reflects increased revenues net of fuel at ComEd primarily due to changes in customer usage and mix, increased residential deliveries (excluding the impact of weather) and increased net transmission revenues. Although customer rates are frozen through 2006, average effective customer rates fluctuate due to the usage patterns of customers. Excludes the effects and the 2006 change in the purchased power agreement with Generation. Also, reflects increased revenues at PECO primarily due to authorized electric rate increases, including scheduled CTC rate increases in accordance with PECO's 1998 restructuring settlement with the PAPUC.

(8) Reflects a decrease in net recognized SECA revenues.

(9) Reflects higher realized prices on market sales and higher nuclear volumes at Generation. Excludes the impact of the 2006 change in the purchased power agreement with ComEd.

(10) Reflects the impact on net income of decreased prices in accordance with ComEd's purchased power agreement with Generation.

(11) Reflects increased stock-based compensation costs.

(12) Reflects increased pension and non-pension postretirement benefits expense primarily due to changes in actuarial assumptions in 2006.

(13) Reflects the 2005 impact on net income of a reserve recorded by Generation for estimated future asbestos-related bodily injury claims.

(14) Reflects increased operating and maintenance expense primarily due to inflation and increased bad debt expense at PECO.

(15) Reflects increased depreciation and amortization primarily due to increased CTC amortization at PECO.

(16) Reflects increased interest expense, primarily at Generation.

(17) Reflects the 2005 impact on net income of gains realized on AmerGen's decommissioning trust fund investments related to changes to the investment strategy.

(18) Reflects decreased taxes other than income primarily due to favorable tax settlements at PECO in 2006.

(19) Reflects a decrease in Generation's nuclear decommissioning obligation liability related to the AmerGen nuclear plants.

Source: EXELON CORP, 8-K, July 31, 2006