

American Electric Power
Financial Results for YTD June 2004 Actual
Reconciliation of On-going and Reported Earnings

	2004 Actual				EPS
	Utility	Invest.	Parent	Total	
	(\$ millions)				
On-going Earnings	486	(13)	(34)	439	1.11
Dispositions:					
Gain from sale of Nanyang General Light Electric Co.	-	6	-	6	0.01
Discontinued Operations:					
UK Discontinued Operations	-	(64)	-	(64)	(0.16)
LIG Discontinued Operations	-	1	-	1	-
Total Special Items	<u>-</u>	<u>(57)</u>	<u>-</u>	<u>(57)</u>	<u>(0.15)</u>
Reported Earnings	<u>486</u>	<u>(70)</u>	<u>(34)</u>	<u>382</u>	<u>0.96</u>

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	2003 Actual				EPS
	Utility	Invest.	Parent	Total	
	(\$ millions)				
On-going Earnings	534	(90)	(18)	426	1.13
Changes in Accounting Principles:					
SFAS 143 Asset Retirement Obligation	249	(7)	-	242	0.64
Cessation of EITF 98-10 re: MTM accounting	(13)	(36)	-	(49)	(0.13)
Impairments and Dispositions:					
Adjustment to South Coast Impairment	-	6	-	6	0.02
Net Proceeds from Sale of Mutual Energy (back office	-	26	-	26	0.07
Adjustment to sale of water heater rental program	(3)	-	-	(3)	(0.01)
Discontinued Operations:					
UK Discontinued Operations	-	(37)	-	(37)	(0.09)
LIG Discontinued Operations	-	4	-	4	0.01
Total Special Items	<u>233</u>	<u>(44)</u>	<u>-</u>	<u>189</u>	<u>0.51</u>
Reported Earnings	<u>767</u>	<u>(134)</u>	<u>(18)</u>	<u>615</u>	<u>1.64</u>