



BOUNDLESS ENERGY<sup>SM</sup>

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES**

**PRESENTATION MATERIALS FOR  
PRESS RELEASE & EARNINGS CALL**

**as of:**

**December 31, 2017**

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES**

**PRESENTATION MATERIALS FOR  
PRESS RELEASE & EARNINGS CALL**

**as of:  
December 31, 2017**

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**AMERICAN ELECTRIC POWER**  
**Condensed Consolidated Statement of Cash Flows**  
**Preliminary, unaudited results**  
**December 31, 2017**

	QTD	Year-to-Date	
	2017	2017	2016
(\$ millions)			
<b>Operating Activities</b>			
<b>Net Income -- Reported</b>	<b>\$ 401.8</b>	<b>\$ 1,928.9</b>	<b>\$ 618.0</b>
Discontinued Operations	-	-	(2.5)
<b>Continuing Earnings</b>	<b>401.8</b>	<b>1,928.9</b>	<b>620.5</b>
Depreciation, Amortization & Deferred Taxes	391.7	3,054.5	2,039.4
Impairments	76.5	87.1	2,267.8
Gain on Sale of Assets	(22.2)	(261.0)	(6.7)
Pension Contributions	-	(93.3)	(84.8)
Changes in Mark-to-Market	32.9	(23.3)	150.8
Over/Under Fuel Recovery	3.4	84.4	(65.5)
Changes in Components of Working Capital	(1) 337.6	(162.2)	27.0
Other Assets & Liabilities	(2) (61.9)	(331.1)	(426.7)
<b>Cash Flow from Operations</b>	<b>1,159.8</b>	<b>4,284.0</b>	<b>4,521.8</b>
<b>Investing Activities</b>			
Capital Expenditures	(1,913.1)	(5,691.3)	(4,781.1)
Proceeds on Sale of Assets	-	2,159.6	-
Change in Other Temporary Investments, Net	(45.7)	(58.4)	(43.9)
Acquisition of Assets	(2.5)	(6.8)	(107.9)
Acquisition of Nuclear Fuel	(34.8)	(108.0)	(128.5)
Other Investing (net)	6.5	38.7	15.6
<b>Cash (Used) by Investing Activities</b>	<b>(1,989.6)</b>	<b>(3,666.2)</b>	<b>(5,045.8)</b>
<b>Financing Activities</b>			
Common Shares Issued/(Retired), net	12.2	12.2	34.2
Long-term Debt Issuances/(Retirements)	450.7	766.2	800.0
Short-term Debt Increase/(Decrease), net	579.3	(74.4)	913.0
Other Financing	(16.0)	(117.0)	(122.3)
Dividends Paid	(316.9)	(1,191.9)	(1,121.0)
<b>Cash From/(Used for) Financing</b>	<b>709.3</b>	<b>(604.9)</b>	<b>503.9</b>
<b>Discontinued Operations</b>			
Net Cash from Discontinued Operations	-	-	(2.5)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (120.5)</b>	<b>\$ 12.9</b>	<b>\$ (22.6)</b>
Beginning Cash & Cash Equivalent Balances	533.1	399.7	422.3
Ending Cash & Cash Equivalent Balances	412.6	412.6	399.7
(1) Changes in Components of Working Capital			
Fuel Inventories	(40.6)	17.9	60.2
Accounts Receivable/Payable, net	(139.8)	(29.5)	(61.7)
Accrued Taxes	402.0	91.9	42.8
Interest Accrued	(25.7)	5.3	2.7
Customer Deposits	10.4	13.8	(3.4)
Margin Deposits	0.2	(25.6)	27.3
Other	131.1	(236.0)	(40.9)
	337.6	(162.2)	27.0
(2) Other Assets / Liabilities			
Carrying Costs	(4.4)	(18.6)	(16.2)
AFUDC Equity	(31.5)	(93.7)	(113.2)
Deferral of Ohio Capacity Costs, net	12.8	(14.9)	184.5
Other Non-Current Assets & Liabilities	(38.8)	(203.9)	(481.8)
	(61.9)	(331.1)	(426.7)

**AMERICAN ELECTRIC POWER**  
**Condensed Consolidated Balance Sheet**  
**Preliminary, unaudited results**

(\$ millions)	12/31/2017	12/31/2016
<b>Assets</b>		
Cash and Cash Equivalents	\$ 412.6	\$ 399.7
Other Cash Deposits	161.7	142.5
Accounts Receivable	1,891.0	1,916.7
Risk Management Assets	126.2	94.5
Assets Held for Sale	-	1,951.2
Other Current Assets	1,661.6	1,529.3
<b>Total Current Assets</b>	<b>4,253.1</b>	<b>6,033.9</b>
Property, Plant & Equipment	67,428.5	62,036.6
Accumulated Depreciation and Amortization	(17,167.0)	(16,397.3)
<b>Net Property, Plant &amp; Equipment</b>	<b>50,261.5</b>	<b>45,639.3</b>
Long-term Risk Management Assets	282.1	289.1
Regulatory Assets	3,587.6	5,625.5
Prepaid Pension Obligation	503.5	161.2
Other Non-Current Assets	5,841.3	5,718.7
<b>Total Assets</b>	<b>\$ 64,729.1</b>	<b>\$ 63,467.7</b>
<b>Capitalization &amp; Liabilities</b>		
Accounts Payable	\$ 2,065.3	\$ 1,688.5
Short-term Debt - General	920.6	1,040.0
Securitized Debt for Receivables - AEP Credit	718.0	673.0
Long-term Debt Due Within One Year	2,135.4	2,878.0
Risk Management Liabilities	61.6	53.4
Liabilities Held for Sale	-	235.9
Other Current Liabilities	2,752.1	2,929.2
<b>Total Current Liabilities</b>	<b>8,653.0</b>	<b>9,498.0</b>
Long-term Debt	19,037.9	17,378.4
Long-term Risk Management Liabilities	322.0	316.2
Deferred Income Taxes	6,813.9	11,884.4
Regulatory Liabilities and Deferred Investment Tax Credits	8,422.3	3,751.3
Other Non-Current Liabilities	3,154.5	3,219.3
<b>Total Liabilities</b>	<b>46,403.6</b>	<b>46,047.6</b>
Mezzanine Equity	11.9	-
Equity - Noncontrolling Interests	26.6	23.1
AEP Common Shareholders' Equity	18,287.0	17,397.0
<b>Total Capitalization &amp; Liabilities</b>	<b>\$ 64,729.1</b>	<b>\$ 63,467.7</b>

**AMERICAN ELECTRIC POWER**  
**Detail of Debt and Changes in Shareholders' Equity**  
**Preliminary, unaudited results**

(\$ millions)	12/31/2017	12/31/2016
<b>Long-term Debt</b>		
Installment Purchase Contracts	\$ 1,629.5	\$ 1,734.7
Notes Payable	260.9	326.9
Senior Unsecured Notes	16,608.6	14,866.4
Securitization Bonds	1,423.9	1,715.9
Long-term DOE Obligation	268.6	266.3
Other Long-term Debt	1,023.5	1,381.9
Unamortized Discount	(41.7)	(35.7)
<b>Total</b>	<b>21,173.3</b>	<b>20,256.4</b>
<b>Short-term Debt</b>		
General	920.6	1,040.0
Securitized Debt for Receivables - AEP Credit	718.0	673.0
	<b>1,638.6</b>	<b>1,713.0</b>
<b>Total Balance Sheet Debt</b>	<b>\$ 22,811.9</b>	<b>\$ 21,969.4</b>
<b>Equity - Noncontrolling Interests</b>		
Equity - Noncontrolling Interests	26.6	23.1
<b>Common Shareholders' Equity</b>		
<b>Opening Balance</b>	<b>\$ 17,397.0</b>	<b>\$ 17,891.7</b>
Earnings Attributable to AEP Common Shareholders	1,912.6	610.9
Common Stock Dividends Paid	(1,178.3)	(1,116.8)
Changes in Other Comprehensive Income	88.5	(29.2)
Other Changes	67.2	40.4
<b>Ending Balance</b>	<b>\$ 18,287.0</b>	<b>\$ 17,397.0</b>

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2017  
Preliminary, unaudited results**

(in millions)

**GAAP Earnings**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 9,192.0	\$ 4,419.3	\$ 766.7	\$ 1,875.1	\$ 120.8	\$ (949.0)	\$ 15,424.9
Fuel & Other Consumables Used for Electric Generation	1,887.6	20.9	-	339.4	-	98.6	2,346.5
Purchased Gas & Energy for Resale, and Other	1,255.1	1,043.6	-	1,037.8	-	(371.2)	2,965.3
<b>TOTAL</b>	<b>6,049.3</b>	<b>3,354.8</b>	<b>766.7</b>	<b>497.9</b>	<b>120.8</b>	<b>(676.4)</b>	<b>10,113.1</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	2,737.2	1,190.4	74.4	270.6	84.7	(732.0)	3,625.3
Asset Impairments and Other Related Charges	33.6	-	-	53.5	-	-	87.1
Loss(Gain) of Sale of Property	-	-	-	(226.4)	-	-	(226.4)
Depreciation and Amortization	1,142.5	667.5	102.2	24.2	0.3	60.5	1,997.2
Taxes Other Than Income Taxes	413.3	513.7	114.0	12.1	0.2	6.1	1,059.4
<b>TOTAL</b>	<b>4,326.6</b>	<b>2,371.6</b>	<b>290.6</b>	<b>134.0</b>	<b>85.2</b>	<b>(665.4)</b>	<b>6,542.6</b>
<b>OPERATING INCOME</b>	<b>1,722.7</b>	<b>983.2</b>	<b>476.1</b>	<b>363.9</b>	<b>35.6</b>	<b>(11.0)</b>	<b>3,570.5</b>
Interest Income	22.0	11.3	1.0	10.3	23.3	(33.3)	34.6
AFUDC	28.0	13.2	52.5	-	-	-	93.7
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	12.4	-	12.4
Interest Expense	(540.0)	(244.1)	(72.8)	(18.5)	(63.9)	44.3	(895.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>1,232.7</b>	<b>763.6</b>	<b>456.8</b>	<b>355.7</b>	<b>7.4</b>	<b>-</b>	<b>2,816.2</b>
Income Taxes	425.6	127.2	189.8	189.7	37.4	-	969.7
Equity Earnings	(3.8)	-	88.6	-	(2.4)	-	82.4
<b>NET INCOME</b>	<b>803.3</b>	<b>636.4</b>	<b>355.6</b>	<b>166.0</b>	<b>(32.4)</b>	<b>-</b>	<b>1,928.9</b>
Net Income - Noncontrolling Interests	12.8	-	3.5	-	-	-	16.3
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS</b>	<b>\$ 790.5</b>	<b>\$ 636.4</b>	<b>\$ 352.1</b>	<b>\$ 166.0</b>	<b>\$ (32.4)</b>	<b>\$ -</b>	<b>\$ 1,912.6</b>

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2017  
Preliminary, unaudited results**

(in millions, except EPS)

**Operating Earnings (non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 9,198.1	\$ 4,419.3	\$ 766.7	\$ 1,879.9	\$ 120.8	\$ (949.0)	\$ 15,435.8
Fuel & Other Consumables Used for Electric Generation	1,887.6	20.9	-	339.4	-	98.6	2,346.5
Purchased Gas & Energy for Resale, and Other	1,255.1	1,043.6	-	1,037.8	-	(371.2)	2,965.3
<b>TOTAL</b>	<b>6,055.4</b>	<b>3,354.8</b>	<b>766.7</b>	<b>502.7</b>	<b>120.8</b>	<b>(676.4)</b>	<b>10,124.0</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	2,748.8	1,190.4	74.4	270.6	84.7	(732.0)	3,636.9
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	1,142.5	667.5	102.2	24.2	0.3	60.5	1,997.2
Taxes Other Than Income Taxes	413.3	513.7	114.0	12.1	0.2	6.1	1,059.4
<b>TOTAL</b>	<b>4,304.6</b>	<b>2,371.6</b>	<b>290.6</b>	<b>306.9</b>	<b>85.2</b>	<b>(665.4)</b>	<b>6,693.5</b>
<b>OPERATING INCOME</b>	<b>1,750.8</b>	<b>983.2</b>	<b>476.1</b>	<b>195.8</b>	<b>35.6</b>	<b>(11.0)</b>	<b>3,430.5</b>
Interest Income	22.0	11.3	1.0	10.3	23.3	(33.3)	34.6
AFUDC	28.0	13.2	52.5	-	-	-	93.7
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	12.4	-	12.4
Interest Expense	(540.0)	(244.1)	(72.8)	(18.5)	(63.9)	44.3	(895.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>1,260.8</b>	<b>763.6</b>	<b>456.8</b>	<b>187.6</b>	<b>7.4</b>	<b>-</b>	<b>2,676.2</b>
Income Taxes	438.2	265.4	187.7	40.9	2.2	-	934.4
Equity Earnings	(3.8)	-	88.6	-	(2.4)	-	82.4
<b>NET INCOME</b>	<b>818.8</b>	<b>498.2</b>	<b>357.7</b>	<b>146.7</b>	<b>2.8</b>	<b>-</b>	<b>1,824.2</b>
Net Income - Noncontrolling Interests	12.8	-	3.5	-	-	-	16.3
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>OPERATING EARNINGS</b>	<b>\$ 806.0</b>	<b>\$ 498.2</b>	<b>\$ 354.2</b>	<b>\$ 146.7</b>	<b>\$ 2.8</b>	<b>\$ -</b>	<b>\$ 1,807.9</b>
<b>OPERATING EARNINGS PER SHARE</b>	<b>1.64</b>	<b>1.01</b>	<b>0.72</b>	<b>0.30</b>	<b>0.01</b>	<b>-</b>	<b>3.68</b>
Based on Average Shares of:	492 million						

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2017  
Preliminary, unaudited results**

(in millions)

**Differences between GAAP and Operating Earnings  
(non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ (6.1)	\$ -	\$ -	\$ (4.8)	\$ -	\$ -	\$ (10.9)
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>(6.1)</b>	<b>-</b>	<b>-</b>	<b>(4.8)</b>	<b>-</b>	<b>-</b>	<b>(10.9)</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	(11.6)	-	-	-	-	-	(11.6)
Asset Impairments and Other Related Charges	33.6	-	-	53.5	-	-	87.1
Loss(Gain) of Sale of Property	-	-	-	(226.4)	-	-	(226.4)
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>22.0</b>	<b>-</b>	<b>-</b>	<b>(172.9)</b>	<b>-</b>	<b>-</b>	<b>(150.9)</b>
<b>OPERATING INCOME</b>	<b>(28.1)</b>	<b>-</b>	<b>-</b>	<b>168.1</b>	<b>-</b>	<b>-</b>	<b>140.0</b>
Interest Income	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>(28.1)</b>	<b>-</b>	<b>-</b>	<b>168.1</b>	<b>-</b>	<b>-</b>	<b>140.0</b>
Income Taxes	(12.6)	(138.2)	2.1	148.8	35.2	-	35.3
Equity Earnings	-	-	-	-	-	-	-
<b>NET INCOME</b>	<b>(15.5)</b>	<b>138.2</b>	<b>(2.1)</b>	<b>19.3</b>	<b>(35.2)</b>	<b>-</b>	<b>104.7</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>Earnings Variance</b>	<b>\$ (15.5)</b>	<b>\$ 138.2</b>	<b>\$ (2.1)</b>	<b>\$ 19.3</b>	<b>\$ (35.2)</b>	<b>\$ -</b>	<b>\$ 104.7</b>
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	(3.1)	-	-	(3.1)
Gain from Competitive Generation Asset Sale	-	-	-	129.4	-	-	129.4
Impairment of Certain Merchant Generation Assets	-	-	-	(30.3)	-	-	(30.3)
Welsh Unit 2 Disallowance	(4.5)	-	-	-	-	-	(4.5)
Impairment of Turk Plant	(13.5)	-	-	-	-	-	(13.5)
Effects of Tax Reform	2.5	138.2	(2.1)	(76.7)	(35.2)	-	26.7
	(15.5)	138.2	(2.1)	19.3	(35.2)	-	104.7



**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2016  
Preliminary, unaudited results**

(in millions)

**GAAP Earnings**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 9,091.9	\$ 4,422.4	\$ 512.8	\$ 2,986.0	\$ 105.1	\$ (738.1)	\$ 16,380.1
Fuel & Other Consumables Used for Electric Generation	1,892.4	32.1	-	930.4	-	54.0	2,908.9
Purchased Gas & Energy for Resale, and Other	1,186.9	965.2	-	1,018.2	-	(348.9)	2,821.4
<b>TOTAL</b>	<b>6,012.6</b>	<b>3,425.1</b>	<b>512.8</b>	<b>1,037.4</b>	<b>105.1</b>	<b>(443.2)</b>	<b>10,649.8</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	2,702.9	1,386.9	55.3	418.4	100.1	(469.0)	4,194.6
Asset Impairments and Other Related Charges	10.5	-	-	2,257.3	-	-	2,267.8
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	1,073.8	649.9	67.1	154.6	0.2	16.7	1,962.3
Taxes Other Than Income Taxes	390.8	494.3	88.7	37.6	0.1	6.5	1,018.0
<b>TOTAL</b>	<b>4,178.0</b>	<b>2,531.1</b>	<b>211.1</b>	<b>2,867.9</b>	<b>100.4</b>	<b>(445.8)</b>	<b>9,442.7</b>
<b>OPERATING INCOME</b>	<b>1,834.6</b>	<b>894.0</b>	<b>301.7</b>	<b>(1,830.5)</b>	<b>4.7</b>	<b>2.6</b>	<b>1,207.1</b>
Interest Income	15.3	34.8	0.1	1.4	11.8	(30.9)	32.5
AFUDC	45.5	15.1	52.2	0.4	-	-	113.2
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(522.1)	(256.8)	(50.3)	(35.8)	(40.5)	28.3	(877.2)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>1,373.3</b>	<b>687.1</b>	<b>303.7</b>	<b>(1,864.5)</b>	<b>(24.0)</b>	<b>-</b>	<b>475.6</b>
Income Taxes	397.3	205.0	134.1	(666.5)	(143.6)	-	(73.7)
Equity Earnings	8.0	-	99.7	-	(36.5)	-	71.2
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>984.0</b>	<b>482.1</b>	<b>269.3</b>	<b>(1,198.0)</b>	<b>83.1</b>	<b>-</b>	<b>620.5</b>
<b>DISCONTINUED OPERATIONS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2.5)</b>	<b>-</b>	<b>(2.5)</b>
<b>NET INCOME</b>	<b>984.0</b>	<b>482.1</b>	<b>269.3</b>	<b>(1,198.0)</b>	<b>80.6</b>	<b>-</b>	<b>618.0</b>
Net Income - Noncontrolling Interests	4.1	-	3.0	-	-	-	7.1
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS</b>	<b>\$ 979.9</b>	<b>\$ 482.1</b>	<b>\$ 266.3</b>	<b>\$ (1,198.0)</b>	<b>\$ 80.6</b>	<b>\$ -</b>	<b>\$ 610.9</b>

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2016  
Preliminary, unaudited results**

(in millions)

**Operating Earnings (non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 9,091.9	\$ 4,422.4	\$ 512.8	\$ 2,976.1	\$ 105.1	\$ (738.1)	\$ 16,370.2
Fuel & Other Consumables Used for Electric Generation	1,892.4	32.1	-	930.4	-	54.0	2,908.9
Purchased Gas & Energy for Resale, and Other	1,186.9	965.2	-	1,018.2	-	(348.9)	2,821.4
<b>TOTAL</b>	<b>6,012.6</b>	<b>3,425.1</b>	<b>512.8</b>	<b>1,027.5</b>	<b>105.1</b>	<b>(443.2)</b>	<b>10,639.9</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	2,702.9	1,386.9	55.3	418.4	100.1	(469.0)	4,194.6
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	1,073.8	649.9	67.1	154.6	0.2	16.7	1,962.3
Taxes Other Than Income Taxes	390.8	494.3	88.7	37.6	0.1	6.5	1,018.0
<b>TOTAL</b>	<b>4,167.5</b>	<b>2,531.1</b>	<b>211.1</b>	<b>610.6</b>	<b>100.4</b>	<b>(445.8)</b>	<b>7,174.9</b>
<b>OPERATING INCOME</b>	<b>1,845.1</b>	<b>894.0</b>	<b>301.7</b>	<b>416.9</b>	<b>4.7</b>	<b>2.6</b>	<b>3,465.0</b>
Interest Income	15.3	34.8	0.1	1.4	11.8	(30.9)	32.5
AFUDC	45.5	15.1	52.2	0.4	-	-	113.2
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(522.1)	(256.8)	(50.3)	(35.8)	(40.5)	28.3	(877.2)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>1,383.8</b>	<b>687.1</b>	<b>303.7</b>	<b>382.9</b>	<b>(24.0)</b>	<b>-</b>	<b>2,733.5</b>
Income Taxes	401.0	217.8	134.1	137.4	1.8	-	892.1
Equity Earnings	8.0	-	99.7	-	(5.0)	-	102.7
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>990.8</b>	<b>469.3</b>	<b>269.3</b>	<b>245.5</b>	<b>(30.8)</b>	<b>-</b>	<b>1,944.1</b>
<b>DISCONTINUED OPERATIONS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>990.8</b>	<b>469.3</b>	<b>269.3</b>	<b>245.5</b>	<b>(30.8)</b>	<b>-</b>	<b>1,944.1</b>
Net Income - Noncontrolling Interests	4.1	-	3.0	-	-	-	7.1
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>OPERATING EARNINGS</b>	<b>\$ 986.7</b>	<b>\$ 469.3</b>	<b>\$ 266.3</b>	<b>\$ 245.5</b>	<b>\$ (30.8)</b>	<b>\$ -</b>	<b>\$ 1,937.0</b>
<b>OPERATING EARNINGS PER SHARE</b>	<b>2.01</b>	<b>0.95</b>	<b>0.54</b>	<b>0.50</b>	<b>(0.06)</b>	<b>-</b>	<b>3.94</b>
Based on Average Shares of:	491 million						

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
CONSOLIDATED STATEMENTS OF OPERATIONS**

**YTD Dec 2016  
Preliminary, unaudited results**

(in millions)

**Differences between GAAP and Operating Earnings  
(non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ -	\$ -	\$ -	\$ 9.9	\$ -	\$ -	\$ 9.9
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.9</b>	<b>-</b>	<b>-</b>	<b>9.9</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	-	-	-	-	-	-	-
Asset Impairments and Other Related Charges	10.5	-	-	2,257.3	-	-	2,267.8
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>10.5</b>	<b>-</b>	<b>-</b>	<b>2,257.3</b>	<b>-</b>	<b>-</b>	<b>2,267.8</b>
<b>OPERATING INCOME</b>	<b>(10.5)</b>	<b>-</b>	<b>-</b>	<b>(2,247.4)</b>	<b>-</b>	<b>-</b>	<b>(2,257.9)</b>
Interest Income	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>(10.5)</b>	<b>-</b>	<b>-</b>	<b>(2,247.4)</b>	<b>-</b>	<b>-</b>	<b>(2,257.9)</b>
Income Taxes	(3.7)	(12.8)	-	(803.9)	(145.4)	-	(965.8)
Equity Earnings	-	-	-	-	(31.5)	-	(31.5)
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>(6.8)</b>	<b>12.8</b>	<b>-</b>	<b>(1,443.5)</b>	<b>113.9</b>	<b>-</b>	<b>(1,323.6)</b>
<b>DISCONTINUED OPERATIONS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2.5)</b>	<b>-</b>	<b>(2.5)</b>
<b>NET INCOME</b>	<b>(6.8)</b>	<b>12.8</b>	<b>-</b>	<b>(1,443.5)</b>	<b>111.4</b>	<b>-</b>	<b>(1,326.1)</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>Earnings Variance</b>	<b>\$ (6.8)</b>	<b>\$ 12.8</b>	<b>\$ -</b>	<b>\$ (1,443.5)</b>	<b>\$ 111.4</b>	<b>\$ -</b>	<b>\$ (1,326.1)</b>
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	6.5	-	-	6.5
Disposition of Commercial Barge Operations	-	-	-	-	0.8	-	0.8
Federal Tax Audit Settlement	-	-	-	-	76.8	-	76.8
Capital Loss Valuation Adjustment	-	-	-	10.1	33.8	-	43.9
UK Windfall Tax	-	12.8	-	-	-	-	12.8
Impairment of Certain Merchant Generation Assets	(6.8)	-	-	(1,460.1)	-	-	(1,466.9)
	(6.8)	12.8	-	(1,443.5)	111.4	-	(1,326.1)

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
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Quarter-to-Date  
December 31, 2017  
Preliminary, unaudited results**

(in millions)

**GAAP Earnings**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 2,298.9	\$ 1,106.1	\$ 184.8	\$ 407.6	\$ 34.1	\$ (221.1)	\$ 3,810.4
Fuel & Other Consumables Used for Electric Generation	388.3	3.7	-	63.1	-	26.1	481.2
Purchased Gas & Energy for Resale, and Other	385.5	261.9	-	251.4	-	(90.4)	808.4
<b>TOTAL</b>	<b>1,525.1</b>	<b>840.5</b>	<b>184.8</b>	<b>93.1</b>	<b>34.1</b>	<b>(156.8)</b>	<b>2,520.8</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	712.7	307.9	19.9	59.2	(6.1)	(170.2)	923.4
Asset Impairments and Other Related Charges	33.6	-	-	42.9	-	-	76.5
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	297.4	165.1	27.5	6.7	0.1	14.5	511.3
Taxes Other Than Income Taxes	107.1	126.6	29.0	3.2	-	1.5	267.4
<b>TOTAL</b>	<b>1,150.8</b>	<b>599.6</b>	<b>76.4</b>	<b>112.0</b>	<b>(6.0)</b>	<b>(154.2)</b>	<b>1,778.6</b>
<b>OPERATING INCOME</b>	<b>374.3</b>	<b>240.9</b>	<b>108.4</b>	<b>(18.9)</b>	<b>40.1</b>	<b>(2.6)</b>	<b>742.2</b>
Interest Income	5.3	2.7	0.6	2.4	4.6	(7.9)	7.7
AFUDC	8.0	6.9	16.6	-	-	-	31.5
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(133.5)	(61.6)	(20.5)	(3.8)	(18.1)	10.5	(227.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>254.1</b>	<b>188.9</b>	<b>105.1</b>	<b>(20.3)</b>	<b>26.6</b>	<b>-</b>	<b>554.4</b>
Income Taxes	90.7	(73.2)	47.7	60.0	46.7	-	171.9
Equity Earnings	0.7	-	19.9	-	(1.3)	-	19.3
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>164.1</b>	<b>262.1</b>	<b>77.3</b>	<b>(80.3)</b>	<b>(21.4)</b>	<b>-</b>	<b>401.8</b>
<b>EXTRAORDINARY LOSS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>164.1</b>	<b>262.1</b>	<b>77.3</b>	<b>(80.3)</b>	<b>(21.4)</b>	<b>-</b>	<b>401.8</b>
Net Income - Noncontrolling Interests	0.2	-	0.9	-	-	-	1.1
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS</b>	<b>\$ 163.9</b>	<b>\$ 262.1</b>	<b>\$ 76.4</b>	<b>\$ (80.3)</b>	<b>\$ (21.4)</b>	<b>\$ -</b>	<b>\$ 400.7</b>

**AMERICAN ELECTRIC POWER COMPANY, INC.  
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Preliminary, unaudited results**

(in millions, except EPS)

**Operating Earnings (non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 2,305.0	\$ 1,106.1	\$ 184.8	\$ 408.1	\$ 34.1	\$ (221.1)	\$ 3,817.0
Fuel & Other Consumables Used for Electric Generation	388.3	3.7	-	63.1	-	26.1	481.2
Purchased Gas & Energy for Resale, and Other	385.5	261.9	-	251.4	-	(90.4)	808.4
<b>TOTAL</b>	<b>1,531.2</b>	<b>840.5</b>	<b>184.8</b>	<b>93.6</b>	<b>34.1</b>	<b>(156.8)</b>	<b>2,527.4</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	724.3	307.9	19.9	59.2	(6.1)	(170.2)	935.0
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	297.4	165.1	27.5	6.7	0.1	14.5	511.3
Taxes Other Than Income Taxes	107.1	126.6	29.0	3.2	-	1.5	267.4
<b>TOTAL</b>	<b>1,128.8</b>	<b>599.6</b>	<b>76.4</b>	<b>69.1</b>	<b>(6.0)</b>	<b>(154.2)</b>	<b>1,713.7</b>
<b>OPERATING INCOME</b>	<b>402.4</b>	<b>240.9</b>	<b>108.4</b>	<b>24.5</b>	<b>40.1</b>	<b>(2.6)</b>	<b>813.7</b>
Interest Income	5.3	2.7	0.6	2.4	4.6	(7.9)	7.7
AFUDC	8.0	6.9	16.6	-	-	-	31.5
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(133.5)	(61.6)	(20.5)	(3.8)	(18.1)	10.5	(227.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>282.2</b>	<b>188.9</b>	<b>105.1</b>	<b>23.1</b>	<b>26.6</b>	<b>-</b>	<b>625.9</b>
Income Taxes	103.3	65.0	45.6	(1.4)	11.5	-	224.0
Equity Earnings	0.7	-	19.9	-	(1.3)	-	19.3
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>179.6</b>	<b>123.9</b>	<b>79.4</b>	<b>24.5</b>	<b>13.8</b>	<b>-</b>	<b>421.2</b>
<b>EXTRAORDINARY LOSS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>179.6</b>	<b>123.9</b>	<b>79.4</b>	<b>24.5</b>	<b>13.8</b>	<b>-</b>	<b>421.2</b>
Net Income - Noncontrolling Interests	0.2	-	0.9	-	-	-	1.1
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>OPERATING EARNINGS</b>	<b>\$ 179.4</b>	<b>\$ 123.9</b>	<b>\$ 78.5</b>	<b>\$ 24.5</b>	<b>\$ 13.8</b>	<b>\$ -</b>	<b>\$ 420.1</b>
<b>OPERATING EARNINGS PER SHARE</b>	<b>0.36</b>	<b>0.25</b>	<b>0.16</b>	<b>0.05</b>	<b>0.03</b>	<b>-</b>	<b>0.85</b>
Based on Average Shares of:	492 million						

**AMERICAN ELECTRIC POWER COMPANY, INC.  
AND SUBSIDIARY COMPANIES  
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(in millions)

**Differences between GAAP and Operating Earnings  
(non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ (6.1)	\$ -	\$ -	\$ (0.5)	\$ -	\$ -	\$ (6.6)
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>(6.1)</b>	<b>-</b>	<b>-</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>(6.6)</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	(11.6)	-	-	-	-	-	(11.6)
Asset Impairments and Other Related Charges	33.6	-	-	42.9	-	-	76.5
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>22.0</b>	<b>-</b>	<b>-</b>	<b>42.9</b>	<b>-</b>	<b>-</b>	<b>64.9</b>
<b>OPERATING INCOME</b>	<b>(28.1)</b>	<b>-</b>	<b>-</b>	<b>(43.4)</b>	<b>-</b>	<b>-</b>	<b>(71.5)</b>
Interest Income	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>(28.1)</b>	<b>-</b>	<b>-</b>	<b>(43.4)</b>	<b>-</b>	<b>-</b>	<b>(71.5)</b>
Income Taxes	(12.6)	(138.2)	2.1	61.4	35.2	-	(52.1)
Equity Earnings	-	-	-	-	-	-	-
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>(15.5)</b>	<b>138.2</b>	<b>(2.1)</b>	<b>(104.8)</b>	<b>(35.2)</b>	<b>-</b>	<b>(19.4)</b>
<b>EXTRAORDINARY LOSS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>(15.5)</b>	<b>138.2</b>	<b>(2.1)</b>	<b>(104.8)</b>	<b>(35.2)</b>	<b>-</b>	<b>(19.4)</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>Earnings Variance</b>	<b>\$ (15.5)</b>	<b>\$ 138.2</b>	<b>\$ (2.1)</b>	<b>\$ (104.8)</b>	<b>\$ (35.2)</b>	<b>\$ -</b>	<b>\$ (19.4)</b>
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	(0.3)	-	-	(0.3)
Impairment of Certain Merchant Generation Assets	-	-	-	(27.8)	-	-	(27.8)
Welsh Unit 2 Disallowance	(4.5)	-	-	-	-	-	(4.5)
Impairment of Turk Plant	(13.5)	-	-	-	-	-	(13.5)
Effects of Tax Reform	2.5	138.2	(2.1)	(76.7)	(35.2)	-	26.7
	(15.5)	138.2	(2.1)	(104.8)	(35.2)	-	(19.4)

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(in millions)

**GAAP Earnings**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 2,164.1	\$ 953.9	\$ 130.1	\$ 694.8	\$ 26.0	\$ (178.8)	\$ 3,790.1
Fuel & Other Consumables Used for Electric Generation	438.7	7.5	-	232.7	-	(6.1)	672.8
Purchased Gas & Energy for Resale, and Other	340.8	154.6	-	225.3	-	(33.9)	686.8
<b>TOTAL</b>	<b>1,384.6</b>	<b>791.8</b>	<b>130.1</b>	<b>236.8</b>	<b>26.0</b>	<b>(138.8)</b>	<b>2,430.5</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	776.0	377.4	22.6	128.2	22.2	(136.9)	1,189.5
Asset Impairments and Other Related Charges	-	-	-	2.9	-	-	2.9
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	258.3	144.9	18.7	4.8	-	(14.6)	412.1
Taxes Other Than Income Taxes	95.8	121.3	23.0	8.6	-	1.4	250.1
<b>TOTAL</b>	<b>1,130.1</b>	<b>643.6</b>	<b>64.3</b>	<b>144.5</b>	<b>22.2</b>	<b>(150.1)</b>	<b>1,854.6</b>
<b>OPERATING INCOME</b>	<b>254.5</b>	<b>148.2</b>	<b>65.8</b>	<b>92.3</b>	<b>3.8</b>	<b>11.3</b>	<b>575.9</b>
Interest Income	4.8	25.3	0.2	0.5	1.9	(18.6)	14.1
AFUDC	10.1	4.5	12.4	0.1	-	-	27.1
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(122.2)	(60.8)	(14.8)	(8.7)	(10.8)	7.3	(210.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>147.2</b>	<b>117.2</b>	<b>63.6</b>	<b>84.2</b>	<b>(5.1)</b>	<b>-</b>	<b>407.1</b>
Income Taxes	(1.1)	22.9	30.9	33.4	(25.8)	-	60.3
Equity Earnings	3.1	-	27.1	-	(1.8)	-	28.4
<b>NET INCOME</b>	<b>151.4</b>	<b>94.3</b>	<b>59.8</b>	<b>50.8</b>	<b>18.9</b>	<b>-</b>	<b>375.2</b>
Net Income - Noncontrolling Interests	0.8	-	1.0	-	-	-	1.8
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS</b>	<b>\$ 150.6</b>	<b>\$ 94.3</b>	<b>\$ 58.8</b>	<b>\$ 50.8</b>	<b>\$ 18.9</b>	<b>\$ -</b>	<b>\$ 373.4</b>

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**Operating Earnings (non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ 2,164.1	\$ 953.9	\$ 130.1	\$ 687.3	\$ 26.0	\$ (178.8)	\$ 3,782.6
Fuel & Other Consumables Used for Electric Generation	438.7	7.5	-	232.7	-	(6.1)	672.8
Purchased Gas & Energy for Resale, and Other	340.8	154.6	-	225.3	-	(33.9)	686.8
<b>TOTAL</b>	<b>1,384.6</b>	<b>791.8</b>	<b>130.1</b>	<b>229.3</b>	<b>26.0</b>	<b>(138.8)</b>	<b>2,423.0</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	776.0	377.4	22.6	128.2	22.2	(136.9)	1,189.5
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	258.3	144.9	18.7	4.8	-	(14.6)	412.1
Taxes Other Than Income Taxes	95.8	121.3	23.0	8.6	-	1.4	250.1
<b>TOTAL</b>	<b>1,130.1</b>	<b>643.6</b>	<b>64.3</b>	<b>141.6</b>	<b>22.2</b>	<b>(150.1)</b>	<b>1,851.7</b>
<b>OPERATING INCOME</b>	<b>254.5</b>	<b>148.2</b>	<b>65.8</b>	<b>87.7</b>	<b>3.8</b>	<b>11.3</b>	<b>571.3</b>
Interest Income	4.8	25.3	0.2	0.5	1.9	(18.6)	14.1
AFUDC	10.1	4.5	12.4	0.1	-	-	27.1
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(122.2)	(60.8)	(14.8)	(8.7)	(10.8)	7.3	(210.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>147.2</b>	<b>117.2</b>	<b>63.6</b>	<b>79.6</b>	<b>(5.1)</b>	<b>-</b>	<b>402.5</b>
Income Taxes	(1.1)	35.7	30.9	31.8	1.4	-	98.7
Equity Earnings	3.1	-	27.1	-	(1.8)	-	28.4
<b>NET INCOME</b>	<b>151.4</b>	<b>81.5</b>	<b>59.8</b>	<b>47.8</b>	<b>(8.3)</b>	<b>-</b>	<b>332.2</b>
Net Income - Noncontrolling Interests	0.8	-	1.0	-	-	-	1.8
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>OPERATING EARNINGS</b>	<b>\$ 150.6</b>	<b>\$ 81.5</b>	<b>\$ 58.8</b>	<b>\$ 47.8</b>	<b>\$ (8.3)</b>	<b>\$ -</b>	<b>\$ 330.4</b>
<b>OPERATING EARNINGS PER SHARE</b>	<b>0.31</b>	<b>0.16</b>	<b>0.12</b>	<b>0.10</b>	<b>(0.02)</b>	<b>-</b>	<b>0.67</b>
Based on Average Shares of:	492 million						



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**Differences between GAAP and Operating Earnings  
(non-GAAP)**

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
<b>Gross Margin</b>							
Total Revenues	\$ -	\$ -	\$ -	\$ 7.5	\$ -	\$ -	\$ 7.5
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.5</b>	<b>-</b>	<b>-</b>	<b>7.5</b>
<b>EXPENSES</b>							
Maintenance and Other Operation	-	-	-	-	-	-	-
Asset Impairments and Other Related Charges	-	-	-	2.9	-	-	2.9
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.9</b>	<b>-</b>	<b>-</b>	<b>2.9</b>
<b>OPERATING INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.6</b>	<b>-</b>	<b>-</b>	<b>4.6</b>
Interest Income	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.6</b>	<b>-</b>	<b>-</b>	<b>4.6</b>
Income Taxes	-	(12.8)	-	1.6	(27.2)	-	(38.4)
Equity Earnings	-	-	-	-	-	-	-
<b>INCOME BEFORE DISCONTINUED OPERATIONS AND CUMULATIVE EFFECT</b>	<b>-</b>	<b>12.8</b>	<b>-</b>	<b>3.0</b>	<b>27.2</b>	<b>-</b>	<b>43.0</b>
<b>EXTRAORDINARY LOSS (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME</b>	<b>-</b>	<b>12.8</b>	<b>-</b>	<b>3.0</b>	<b>27.2</b>	<b>-</b>	<b>43.0</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-
<b>Earnings Variance</b>	<b>\$ -</b>	<b>\$ 12.8</b>	<b>\$ -</b>	<b>\$ 3.0</b>	<b>\$ 27.2</b>	<b>\$ -</b>	<b>\$ 43.0</b>
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	4.9	-	-	4.9
Disposition of Commercial Barge Operations	-	-	-	-	6.1	-	6.1
Federal Tax Audit Settlement	-	-	-	-	21.1	-	21.1
UK Windfall Tax	-	12.8	-	-	-	-	12.8
Impairment of Certain Merchant Generation Assets	-	-	-	(1.9)	-	-	(1.9)
	-	12.8	-	3.0	27.2	-	43.0

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**Operating Earnings (non-GAAP)**

	Appalachian Power Company	Wheeling Power Company	AEP Generating	I&M Power Company	Kentucky Power	Kingsport Power	Public Service Co - Oklahoma	Southwestern Electric Power Co.	Eliminations	Vertical Int Utilities
<b>Gross Margin</b>	<b>1,979.3</b>	<b>190.5</b>	<b>185.1</b>	<b>1,450.1</b>	<b>392.0</b>	<b>36.5</b>	<b>777.8</b>	<b>1,121.2</b>	<b>(77.1)</b>	<b>6,055.4</b>
<b>EXPENSES</b>										
Maintenance and Other Operation	749.5	76.7	113.7	793.6	184.5	11.0	432.0	469.7	(81.9)	2,748.8
Depreciation and Amortization	408.0	38.9	42.0	211.0	88.0	6.8	130.4	217.4	-	1,142.5
Taxes Other Than Income Taxes	126.4	17.1	4.3	92.2	24.1	10.6	40.5	98.3	(0.2)	413.3
<b>TOTAL</b>	<b>1,283.9</b>	<b>132.7</b>	<b>160.0</b>	<b>1,096.8</b>	<b>296.6</b>	<b>28.4</b>	<b>602.9</b>	<b>785.4</b>	<b>(82.1)</b>	<b>4,304.6</b>
<b>OPERATING INCOME</b>	<b>695.4</b>	<b>57.8</b>	<b>25.1</b>	<b>353.3</b>	<b>95.4</b>	<b>8.1</b>	<b>174.9</b>	<b>335.8</b>	<b>5.0</b>	<b>1,750.8</b>
Interest Income	2.8	0.8	(0.2)	14.5	1.2	-	0.1	2.7	0.1	22.0
AFUDC	9.2	0.8	3.1	11.1	0.9	-	0.5	2.4	-	28.0
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(190.8)	(11.6)	(3.4)	(110.8)	(44.7)	(2.1)	(53.4)	(123.4)	0.2	(540.0)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>516.6</b>	<b>47.8</b>	<b>24.6</b>	<b>268.1</b>	<b>52.8</b>	<b>6.0</b>	<b>122.1</b>	<b>217.5</b>	<b>5.3</b>	<b>1,260.8</b>
Income Taxes	181.1	16.1	8.7	84.3	18.9	1.9	47.3	58.6	21.3	438.2
Equity Earnings	-	-	-	-	-	-	-	(3.8)	-	(3.8)
<b>NET INCOME</b>	<b>335.5</b>	<b>31.7</b>	<b>15.9</b>	<b>183.8</b>	<b>33.9</b>	<b>4.1</b>	<b>74.8</b>	<b>155.1</b>	<b>(16.0)</b>	<b>818.8</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	12.8	-	12.8
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 335.5</b>	<b>\$ 31.7</b>	<b>\$ 15.9</b>	<b>\$ 183.8</b>	<b>\$ 33.9</b>	<b>\$ 4.1</b>	<b>\$ 74.8</b>	<b>\$ 142.3</b>	<b>\$ (16.0)</b>	<b>\$ 806.0</b>
Welsh Unit 2 Disallowance	-	-	-	-	-	-	-	(4.5)	-	(4.5)
Impairment of Turk Plant	-	-	-	-	-	-	-	(13.5)	-	(13.5)
Effects of Tax Reform	(4.2)	0.1	-	2.9	1.3	0.4	(2.8)	0.4	4.4	2.5
<b>GAAP / Reported Earnings</b>	<b>331.3</b>	<b>31.8</b>	<b>15.9</b>	<b>186.7</b>	<b>35.2</b>	<b>4.5</b>	<b>72.0</b>	<b>124.7</b>	<b>(11.6)</b>	<b>790.5</b>

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<b>Operating Earnings (non-GAAP)</b>	<b>Ohio Power</b>	<b>AEP Texas</b>	<b>Eliminations</b>	<b>Trans &amp; Dist Utilities</b>
<b>Gross Margin</b>	<b>1,840.3</b>	<b>1,517.5</b>	<b>(3.0)</b>	<b>3,354.8</b>
<b>EXPENSES</b>				
Maintenance and Other Operation	652.7	525.4	12.3	1,190.4
Depreciation and Amortization	225.9	450.1	(8.5)	667.5
Taxes Other Than Income Taxes	391.4	122.3	-	513.7
<b>TOTAL</b>	<b>1,270.0</b>	<b>1,097.8</b>	<b>3.8</b>	<b>2,371.6</b>
<b>OPERATING INCOME</b>	<b>570.3</b>	<b>419.7</b>	<b>(6.8)</b>	<b>983.2</b>
Interest Income	8.4	2.9	-	11.3
AFUDC	6.4	6.8	-	13.2
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(101.9)	(142.3)	0.1	(244.1)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>483.2</b>	<b>287.1</b>	<b>(6.7)</b>	<b>763.6</b>
Income Taxes	173.7	94.0	(2.3)	265.4
Equity Earnings	-	-	-	-
<b>NET INCOME</b>	<b>309.5</b>	<b>193.1</b>	<b>(4.4)</b>	<b>498.2</b>
Net Income - Noncontrolling Interests	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 309.5</b>	<b>\$ 193.1</b>	<b>\$ (4.4)</b>	<b>\$ 498.2</b>
Effects of Tax Reform	14.4	117.4	6.4	138.2
<b>GAAP / Reported Earnings</b>	<b>323.9</b>	<b>310.5</b>	<b>2.0</b>	<b>636.4</b>

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**Operating Earnings (non-GAAP)**

	Appalachian Power Company	Wheeling Power Company	AEP Generating	I&M Power Company	Kentucky Power	Kingsport Power	Public Service Co - Oklahoma	Southwestern Electric Power Co.	Eliminations	Vertical Int Utilities
<b>Gross Margin</b>	<b>2,017.1</b>	<b>172.5</b>	<b>179.2</b>	<b>1,456.3</b>	<b>393.7</b>	<b>28.1</b>	<b>760.0</b>	<b>1,087.8</b>	<b>(82.1)</b>	<b>6,012.6</b>
<b>EXPENSES</b>										
Maintenance and Other Operation	761.7	66.7	116.2	777.6	168.9	11.1	395.3	481.3	(75.9)	2,702.9
Depreciation and Amortization	388.5	38.5	37.1	191.7	84.9	6.4	130.2	196.5	-	1,073.8
Taxes Other Than Income Taxes	123.5	14.3	3.6	94.8	21.3	8.4	35.8	88.9	0.2	390.8
<b>TOTAL</b>	<b>1,273.7</b>	<b>119.5</b>	<b>156.9</b>	<b>1,064.1</b>	<b>275.1</b>	<b>25.9</b>	<b>561.3</b>	<b>766.7</b>	<b>(75.7)</b>	<b>4,167.5</b>
<b>OPERATING INCOME</b>	<b>743.4</b>	<b>53.0</b>	<b>22.3</b>	<b>392.2</b>	<b>118.6</b>	<b>2.2</b>	<b>198.7</b>	<b>321.1</b>	<b>(6.4)</b>	<b>1,845.1</b>
Interest Income	1.6	0.1	-	11.3	0.1	-	0.7	1.5	-	15.3
AFUDC	11.7	0.4	-	15.3	0.9	-	6.2	11.0	-	45.5
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(188.5)	(11.5)	(2.9)	(100.9)	(45.8)	(1.5)	(51.2)	(119.8)	-	(522.1)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>568.2</b>	<b>42.0</b>	<b>19.4</b>	<b>317.9</b>	<b>73.8</b>	<b>0.7</b>	<b>154.4</b>	<b>213.8</b>	<b>(6.4)</b>	<b>1,383.8</b>
Income Taxes	199.1	14.2	6.8	71.2	23.6	0.3	54.4	52.1	(20.7)	401.0
Equity Earnings	-	-	-	-	-	-	-	8.0	-	8.0
<b>NET INCOME</b>	<b>369.1</b>	<b>27.8</b>	<b>12.6</b>	<b>246.7</b>	<b>50.2</b>	<b>0.4</b>	<b>100.0</b>	<b>169.7</b>	<b>14.3</b>	<b>990.8</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	4.1	-	4.1
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 369.1</b>	<b>\$ 27.8</b>	<b>\$ 12.6</b>	<b>\$ 246.7</b>	<b>\$ 50.2</b>	<b>\$ 0.4</b>	<b>\$ 100.0</b>	<b>\$ 165.6</b>	<b>\$ 14.3</b>	<b>\$ 986.7</b>
Impairment of Certain Merchant Generation Assets x	-	-	-	(6.8)	-	-	-	-	-	(6.8)
<b>GAAP / Reported Earnings</b>	<b>369.1</b>	<b>27.8</b>	<b>12.6</b>	<b>239.9</b>	<b>50.2</b>	<b>0.4</b>	<b>100.0</b>	<b>165.6</b>	<b>14.3</b>	<b>979.9</b>

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<b>Operating Earnings (non-GAAP)</b>	<b>Ohio Power</b>	<b>AEP Texas</b>	<b>Eliminations</b>	<b>Trans &amp; Dist Utilities</b>
<b>Gross Margin</b>	<b>1,988.7</b>	<b>1,431.6</b>	<b>4.8</b>	<b>3,425.1</b>
<b>EXPENSES</b>				
Maintenance and Other Operation	854.8	528.6	3.5	1,386.9
Depreciation and Amortization	238.6	413.9	(2.6)	649.9
Taxes Other Than Income Taxes	386.8	107.5	-	494.3
<b>TOTAL</b>	<b>1,480.2</b>	<b>1,050.0</b>	<b>0.9</b>	<b>2,531.1</b>
<b>OPERATING INCOME</b>	<b>508.5</b>	<b>381.6</b>	<b>3.9</b>	<b>894.0</b>
Interest Income	23.8	11.0	-	34.8
AFUDC	6.0	9.1	-	15.1
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(112.3)	(144.5)	-	(256.8)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>426.0</b>	<b>257.2</b>	<b>3.9</b>	<b>687.1</b>
Income Taxes	143.8	72.6	1.4	217.8
Equity Earnings	-	-	-	-
<b>NET INCOME</b>	<b>282.2</b>	<b>184.6</b>	<b>2.5</b>	<b>469.3</b>
Net Income - Noncontrolling Interests	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 282.2</b>	<b>\$ 184.6</b>	<b>\$ 2.5</b>	<b>\$ 469.3</b>
UK Windfall Tax	-	12.8	-	12.8
<b>GAAP / Reported Earnings</b>	<b>282.2</b>	<b>197.4</b>	<b>2.5</b>	<b>482.1</b>

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**Operating Earnings (non-GAAP)**

	Appalachian Power Company	Wheeling Power Company	AEP Generating	I&M Power Company	Kentucky Power	Kingsport Power	Public Service Co - Oklahoma	Southwestern Electric Power Co.	Eliminations	Vertical Int Utilities
<b>Gross Margin</b>	<b>507.3</b>	<b>48.0</b>	<b>45.8</b>	<b>370.2</b>	<b>100.7</b>	<b>9.4</b>	<b>181.8</b>	<b>286.1</b>	<b>(18.1)</b>	<b>1,531.2</b>
<b>EXPENSES</b>										
Maintenance and Other Operation	195.7	18.2	27.9	205.7	42.4	3.1	117.6	130.9	(17.2)	724.3
Depreciation and Amortization	103.9	9.8	11.4	56.2	22.5	1.7	32.6	59.3	-	297.4
Taxes Other Than Income Taxes	33.0	4.3	1.1	23.9	6.5	2.6	10.4	25.6	(0.3)	107.1
<b>TOTAL</b>	<b>332.6</b>	<b>32.3</b>	<b>40.4</b>	<b>285.8</b>	<b>71.4</b>	<b>7.4</b>	<b>160.6</b>	<b>215.8</b>	<b>(17.5)</b>	<b>1,128.8</b>
<b>OPERATING INCOME</b>	<b>174.7</b>	<b>15.7</b>	<b>5.4</b>	<b>84.4</b>	<b>29.3</b>	<b>2.0</b>	<b>21.2</b>	<b>70.3</b>	<b>(0.6)</b>	<b>402.4</b>
Interest Income	0.8	0.1	-	3.0	0.6	-	-	0.7	0.1	5.3
AFUDC	3.1	0.2	0.1	3.0	0.2	-	0.2	1.2	-	8.0
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(47.4)	(2.9)	(1.1)	(27.9)	(9.6)	(0.6)	(13.3)	(30.9)	0.2	(133.5)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>131.2</b>	<b>13.1</b>	<b>4.4</b>	<b>62.5</b>	<b>20.5</b>	<b>1.4</b>	<b>8.1</b>	<b>41.3</b>	<b>(0.3)</b>	<b>282.2</b>
Income Taxes	44.4	4.2	0.8	22.5	6.5	0.7	4.7	13.4	6.1	103.3
Equity Earnings	-	-	-	-	-	-	-	0.7	-	0.7
<b>NET INCOME</b>	<b>86.8</b>	<b>8.9</b>	<b>3.6</b>	<b>40.0</b>	<b>14.0</b>	<b>0.7</b>	<b>3.4</b>	<b>28.6</b>	<b>(6.4)</b>	<b>179.6</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	0.2	-	0.2
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 86.8</b>	<b>\$ 8.9</b>	<b>\$ 3.6</b>	<b>\$ 40.0</b>	<b>\$ 14.0</b>	<b>\$ 0.7</b>	<b>\$ 3.4</b>	<b>\$ 28.4</b>	<b>\$ (6.4)</b>	<b>\$ 179.4</b>
Welsh Unit 2 Disallowance	-	-	-	-	-	-	-	(4.5)	-	(4.5)
Impairment of Turk Plant	-	-	-	-	-	-	-	(13.5)	-	(13.5)
Effects of Tax Reform	(4.2)	0.1	-	2.9	1.3	0.4	(2.8)	0.4	4.4	2.5
<b>GAAP / Reported Earnings</b>	<b>82.6</b>	<b>9.0</b>	<b>3.6</b>	<b>42.9</b>	<b>15.3</b>	<b>1.1</b>	<b>0.6</b>	<b>10.8</b>	<b>(2.0)</b>	<b>163.9</b>

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<b>Operating Earnings (non-GAAP)</b>	<b>Ohio Power</b>	<b>AEP Texas</b>	<b>Eliminations</b>	<b>Trans &amp; Dist Utilities</b>
<b>Gross Margin</b>	<b>470.0</b>	<b>370.3</b>	<b>0.2</b>	<b>840.5</b>
<b>EXPENSES</b>				
Maintenance and Other Operation	166.9	137.1	3.9	307.9
Depreciation and Amortization	60.2	107.1	(2.2)	165.1
Taxes Other Than Income Taxes	97.5	29.0	0.1	126.6
<b>TOTAL</b>	<b>324.6</b>	<b>273.2</b>	<b>1.8</b>	<b>599.6</b>
<b>OPERATING INCOME</b>	<b>145.4</b>	<b>97.1</b>	<b>(1.6)</b>	<b>240.9</b>
Interest Income	1.4	1.3	-	2.7
AFUDC	2.3	4.6	-	6.9
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(25.0)	(36.7)	0.1	(61.6)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>124.1</b>	<b>66.3</b>	<b>(1.5)</b>	<b>188.9</b>
Income Taxes	45.7	19.8	(0.5)	65.0
Equity Earnings	-	-	-	-
<b>NET INCOME</b>	<b>78.4</b>	<b>46.5</b>	<b>(1.0)</b>	<b>123.9</b>
Net Income - Noncontrolling Interests	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 78.4</b>	<b>\$ 46.5</b>	<b>\$ (1.0)</b>	<b>\$ 123.9</b>
Effects of Tax Reform	14.4	117.4	6.4	138.2
<b>GAAP / Reported Earnings</b>	<b>92.8</b>	<b>163.9</b>	<b>5.4</b>	<b>262.1</b>

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<b>Operating Earnings (non-GAAP)</b>	<b>Appalachian Power Company</b>	<b>Wheeling Power Company</b>	<b>AEP Generating</b>	<b>I&amp;M Power Company</b>	<b>Kentucky Power</b>	<b>Kingsport Power</b>	<b>Public Service Co - Oklahoma</b>	<b>Southwestern Electric Power Co.</b>	<b>Eliminations</b>	<b>Vertical Int Utilities</b>
<b>Gross Margin</b>	<b>480.4</b>	<b>41.3</b>	<b>45.0</b>	<b>340.6</b>	<b>101.0</b>	<b>8.1</b>	<b>145.8</b>	<b>242.9</b>	<b>(20.5)</b>	<b>1,384.6</b>
<b>EXPENSES</b>										
Maintenance and Other Operation	216.0	20.8	30.0	229.1	49.7	3.3	112.1	136.1	(21.1)	776.0
Depreciation and Amortization	98.5	9.7	9.4	48.5	21.9	1.6	20.3	48.4	-	258.3
Taxes Other Than Income Taxes	29.7	3.7	0.7	23.2	5.5	2.7	7.9	22.0	0.4	95.8
<b>TOTAL</b>	<b>344.2</b>	<b>34.2</b>	<b>40.1</b>	<b>300.8</b>	<b>77.1</b>	<b>7.6</b>	<b>140.3</b>	<b>206.5</b>	<b>(20.7)</b>	<b>1,130.1</b>
<b>OPERATING INCOME</b>	<b>136.2</b>	<b>7.1</b>	<b>4.9</b>	<b>39.8</b>	<b>23.9</b>	<b>0.5</b>	<b>5.5</b>	<b>36.4</b>	<b>0.2</b>	<b>254.5</b>
Interest Income	0.5	-	-	2.2	0.4	-	0.2	1.5	-	4.8
AFUDC	2.6	0.2	-	4.3	0.2	-	1.3	1.5	-	10.1
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(47.6)	(2.8)	(0.7)	(24.7)	(11.7)	(0.4)	(6.6)	(27.8)	0.1	(122.2)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>91.7</b>	<b>4.5</b>	<b>4.2</b>	<b>21.6</b>	<b>12.8</b>	<b>0.1</b>	<b>0.4</b>	<b>11.6</b>	<b>0.3</b>	<b>147.2</b>
Income Taxes	26.4	1.3	1.6	(16.9)	2.8	0.1	(2.2)	(1.8)	(12.4)	(1.1)
Equity Earnings	-	-	-	-	-	-	-	3.1	-	3.1
<b>NET INCOME</b>	<b>65.3</b>	<b>3.2</b>	<b>2.6</b>	<b>38.5</b>	<b>10.0</b>	<b>-</b>	<b>2.6</b>	<b>16.5</b>	<b>12.7</b>	<b>151.4</b>
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	0.8	-	0.8
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 65.3</b>	<b>\$ 3.2</b>	<b>\$ 2.6</b>	<b>\$ 38.5</b>	<b>\$ 10.0</b>	<b>\$ -</b>	<b>\$ 2.6</b>	<b>\$ 15.7</b>	<b>\$ 12.7</b>	<b>\$ 150.6</b>
Impairment of Certain Merchant Generation Assets	-	-	-	-	-	-	-	-	-	-
<b>GAAP / Reported Earnings</b>	<b>65.3</b>	<b>3.2</b>	<b>2.6</b>	<b>38.5</b>	<b>10.0</b>	<b>-</b>	<b>2.6</b>	<b>15.7</b>	<b>12.7</b>	<b>150.6</b>



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<b>Operating Earnings (non-GAAP)</b>	<b>Ohio Power</b>	<b>AEP Texas</b>	<b>Eliminations</b>	<b>Trans &amp; Dist Utilities</b>
<b>Gross Margin</b>	<b>433.5</b>	<b>354.5</b>	<b>3.8</b>	<b>791.8</b>
<b>EXPENSES</b>				
Maintenance and Other Operation	224.6	149.1	3.7	377.4
Depreciation and Amortization	49.6	97.9	(2.6)	144.9
Taxes Other Than Income Taxes	95.0	26.3	-	121.3
<b>TOTAL</b>	<b>369.2</b>	<b>273.3</b>	<b>1.1</b>	<b>643.6</b>
<b>OPERATING INCOME</b>	<b>64.3</b>	<b>81.2</b>	<b>2.7</b>	<b>148.2</b>
Interest Income	16.8	8.5	-	25.3
AFUDC	2.3	2.2	-	4.5
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(24.6)	(36.2)	-	(60.8)
<b>INCOME BEFORE INCOME TAXES &amp; EQUITY EARNINGS</b>	<b>58.8</b>	<b>55.7</b>	<b>2.7</b>	<b>117.2</b>
Income Taxes	21.3	13.5	0.9	35.7
Equity Earnings	-	-	-	-
<b>NET INCOME</b>	<b>37.5</b>	<b>42.2</b>	<b>1.8</b>	<b>81.5</b>
Net Income - Noncontrolling Interests	-	-	-	-
Preferred Stock Dividend Requirements of Subsidiaries	-	-	-	-
<b>OPERATING EARNINGS (non-GAAP)</b>	<b>\$ 37.5</b>	<b>\$ 42.2</b>	<b>\$ 1.8</b>	<b>\$ 81.5</b>
UK Windfall Tax	-	12.8	-	12.8
<b>GAAP / Reported Earnings</b>	<b>37.5</b>	<b>55.0</b>	<b>1.8</b>	<b>94.3</b>