



BOUNDLESS ENERGYSM

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

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

as of:

March 31, 2018

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

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

**as of:
March 31, 2018**

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AMERICAN ELECTRIC POWER
Condensed Consolidated Statement of Cash Flows
Preliminary, unaudited results
March 31, 2018

	Year-to-Date	
	2018	2017
(\$ millions)		
Operating Activities		
Net Income -- Reported	\$ 456.7	\$ 594.2
Discontinued Operations	-	-
Continuing Earnings	456.7	594.2
Depreciation, Amortization & Deferred Taxes	598.2	640.5
Gain on Sale of Assets	-	(226.5)
Changes in Mark-to-Market	(0.7)	6.0
Over/Under Fuel Recovery	(61.2)	19.3
Changes in Components of Working Capital	(1) (238.7)	(149.9)
Other Assets & Liabilities	(2) 47.9	(76.8)
Cash Flow from Operations	802.2	806.8
Investing Activities		
Capital Expenditures	(1,905.8)	(1,365.8)
Proceeds on Sale of Assets	-	2,159.6
Acquisition of Assets	(2.5)	(2.3)
Acquisition of Nuclear Fuel	(23.8)	(3.7)
Other Investing (net)	4.3	(11.6)
Cash (Used) by Investing Activities	(1,927.8)	776.2
Financing Activities		
Common Shares Issued/(Retired), net	32.2	-
Long-term Debt Issuances/(Retirements)	297.0	(1,159.4)
Short-term Debt Increase/(Decrease), net	1,020.2	(177.0)
Other Financing	(13.8)	(59.3)
Dividends Paid	(306.1)	(291.4)
Cash From/(Used for) Financing	1,029.5	(1,687.1)
Discontinued Operations		
Net Cash from Discontinued Operations	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (96.1)	\$ (104.1)
Beginning Cash & Cash Equivalent Balances	412.6	403.5
Ending Cash & Cash Equivalent Balances	316.5	299.4
(1) Changes in Components of Working Capital		
Fuel Inventories	28.5	13.4
Accounts Receivable/Payable, net	(89.6)	(14.9)
Accrued Taxes	(74.3)	186.8
Interest Accrued	38.6	10.5
Customer Deposits	8.5	(1.2)
Margin Deposits	(48.7)	(25.7)
Other	(101.7)	(318.8)
	(238.7)	(149.9)
(2) Other Assets / Liabilities		
Carrying Costs	(3.4)	(5.9)
AFUDC Equity	(30.7)	(21.2)
Deferral of Ohio Capacity Costs, net	12.6	30.2
Other Non-Current Assets & Liabilities	69.4	(79.9)
	47.9	(76.8)

AMERICAN ELECTRIC POWER
Condensed Consolidated Balance Sheet
Preliminary, unaudited results

(\$ millions)	<u>3/31/2018</u>	<u>12/31/2017</u>
Assets		
Cash and Cash Equivalents	\$ 316.5	\$ 412.6
Other Cash Deposits	167.9	161.7
Accounts Receivable	1,851.5	1,891.0
Risk Management Assets	89.6	126.2
Other Current Assets	<u>1,709.5</u>	<u>1,661.6</u>
Total Current Assets	4,135.0	4,253.1
Property, Plant & Equipment	68,796.3	67,428.5
Accumulated Depreciation and Amortization	<u>(17,431.2)</u>	<u>(17,167.0)</u>
Net Property, Plant & Equipment	51,365.1	50,261.5
Long-term Risk Management Assets	271.2	282.1
Regulatory Assets	3,516.9	3,587.6
Prepaid Pension Obligation	516.7	503.5
Other Non-Current Assets	<u>5,804.6</u>	<u>5,841.3</u>
Total Assets	<u>\$ 65,609.5</u>	<u>\$ 64,729.1</u>
Capitalization & Liabilities		
Accounts Payable	\$ 1,449.6	\$ 2,065.3
Short-term Debt - General	1,908.8	920.6
Securitized Debt for Receivables - AEP Credit	750.0	718.0
Long-term Debt Due Within One Year	2,616.1	1,753.7
Risk Management Liabilities	57.1	61.6
Other Current Liabilities	<u>2,689.8</u>	<u>2,752.1</u>
Total Current Liabilities	9,471.4	8,271.3
Long-term Debt	18,844.9	19,419.6
Long-term Risk Management Liabilities	282.7	322.0
Deferred Income Taxes	6,943.9	6,813.9
Regulatory Liabilities and Deferred Investment Tax Credits	8,394.5	8,422.3
Other Non-Current Liabilities	<u>3,072.8</u>	<u>3,154.5</u>
Total Liabilities	47,010.2	46,403.6
Mezzanine Equity	87.7	11.9
Equity - Noncontrolling Interests	28.3	26.6
AEP Common Shareholders' Equity	<u>18,483.3</u>	<u>18,287.0</u>
Total Capitalization & Liabilities	<u>\$ 65,609.5</u>	<u>\$ 64,729.1</u>

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

(\$ millions)	3/31/2018	12/31/2017
Long-term Debt		
Installment Purchase Contracts	\$ 1,547.8	\$ 1,629.5
Notes Payable	230.2	260.9
Senior Unsecured Notes	17,144.4	16,608.6
Securitization Bonds	1,292.9	1,423.9
Long-term DOE Obligation	269.6	268.6
Other Long-term Debt	1,020.8	1,023.5
Unamortized Discount	(44.7)	(41.7)
Total	21,461.0	21,173.3
Short-term Debt		
General	1,908.8	920.6
Securitized Debt for Receivables - AEP Credit	750.0	718.0
	2,658.8	1,638.6
Total Balance Sheet Debt	\$ 24,119.8	\$ 22,811.9
Equity - Other		
Equity - Noncontrolling Interests	28.3	26.6
Equity - Mezzanine Equity	87.7	11.9
Common Shareholders' Equity		
Opening Balance	\$ 18,287.0	\$ 17,397.0
Earnings Attributable to AEP Common Shareholders	454.4	1,912.6
Common Stock Dividends Paid	(304.9)	(1,178.3)
Changes in Other Comprehensive Income	(27.6)	88.5
Other Changes	74.4	67.2
Ending Balance	\$ 18,483.3	\$ 18,287.0

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

**YTD Mar 2018
Preliminary, unaudited results**

(in millions)

GAAP Earnings

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
Gross Margin							
Total Revenues	\$ 2,408.0	\$ 1,162.4	\$ 205.5	\$ 505.1	\$ 24.0	\$ (256.7)	\$ 4,048.3
Fuel & Other Consumables Used for Electric Generation	395.6	9.0	-	74.0	-	23.2	501.8
Purchased Gas & Energy for Resale, and Other	462.2	294.2	-	334.8	-	(100.9)	990.3
TOTAL	<u>1,550.2</u>	<u>859.2</u>	<u>205.5</u>	<u>96.3</u>	<u>24.0</u>	<u>(179.0)</u>	<u>2,556.2</u>
EXPENSES							
Maintenance and Other Operation	740.0	352.7	21.9	67.6	36.6	(193.9)	1,024.9
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	313.3	172.6	31.8	6.9	0.1	15.0	539.7
Taxes Other Than Income Taxes	109.9	137.4	32.7	3.2	0.1	2.3	285.6
TOTAL	<u>1,163.2</u>	<u>662.7</u>	<u>86.4</u>	<u>77.7</u>	<u>36.8</u>	<u>(176.6)</u>	<u>1,850.2</u>
OPERATING INCOME	<u>387.0</u>	<u>196.5</u>	<u>119.1</u>	<u>18.6</u>	<u>(12.8)</u>	<u>(2.4)</u>	<u>706.0</u>
Interest Income	2.6	1.4	0.4	2.5	7.0	(11.8)	2.1
Carrying Cost Income	2.8	0.7	(0.1)	-	-	-	3.4
Non-Service Cost Components of Net Periodic Benefit Cost	18.1	8.2	0.7	3.9	1.1	-	32.0
AFUDC	7.4	8.0	15.3	-	-	-	30.7
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(137.9)	(60.1)	(21.1)	(3.9)	(25.2)	14.2	(234.0)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	<u>280.0</u>	<u>154.7</u>	<u>114.3</u>	<u>21.1</u>	<u>(29.9)</u>	<u>-</u>	<u>540.2</u>
Income Taxes	47.7	29.3	27.5	3.0	(5.5)	-	102.0
Equity Earnings	0.5	-	18.0	-	-	-	18.5
NET INCOME	<u>232.8</u>	<u>125.4</u>	<u>104.8</u>	<u>18.1</u>	<u>(24.4)</u>	<u>-</u>	<u>456.7</u>
Net Income - Noncontrolling Interests	1.6	-	0.8	(0.1)	-	-	2.3
EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS	<u>\$ 231.2</u>	<u>\$ 125.4</u>	<u>\$ 104.0</u>	<u>\$ 18.2</u>	<u>\$ (24.4)</u>	<u>\$ -</u>	<u>\$ 454.4</u>

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

**YTD Mar 2018
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
Gross Margin							
Total Revenues	\$ 2,408.0	\$ 1,162.4	\$ 205.5	\$ 528.9	\$ 24.0	\$ (256.7)	\$ 4,072.1
Fuel & Other Consumables Used for Electric Generation	395.6	9.0	-	74.0	-	23.2	501.8
Purchased Gas & Energy for Resale, and Other	462.2	294.2	-	334.8	-	(100.9)	990.3
TOTAL	1,550.2	859.2	205.5	120.1	24.0	(179.0)	2,580.0
EXPENSES							
Maintenance and Other Operation	740.0	352.7	21.9	67.6	36.6	(193.9)	1,024.9
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	313.3	172.6	31.8	6.9	0.1	15.0	539.7
Taxes Other Than Income Taxes	109.9	137.4	32.7	3.2	0.1	2.3	285.6
TOTAL	1,163.2	662.7	86.4	77.7	36.8	(176.6)	1,850.2
OPERATING INCOME	387.0	196.5	119.1	42.4	(12.8)	(2.4)	729.8
Interest Income	2.6	1.4	0.4	2.5	7.0	(11.8)	2.1
Carrying Cost Income	2.8	0.7	(0.1)	-	-	-	3.4
Non-Service Cost Components of Net Periodic Benefit Cost	18.1	8.2	0.7	3.9	1.1	-	32.0
AFUDC	7.4	8.0	15.3	-	-	-	30.7
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(137.9)	(60.1)	(21.1)	(3.9)	(25.2)	14.2	(234.0)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	280.0	154.7	114.3	44.9	(29.9)	-	564.0
Income Taxes	47.7	29.3	27.5	8.0	(5.5)	-	107.0
Equity Earnings	0.5	-	18.0	-	-	-	18.5
NET INCOME	232.8	125.4	104.8	36.9	(24.4)	-	475.5
Net Income - Noncontrolling Interests	1.6	-	0.8	(0.1)	-	-	2.3
OPERATING EARNINGS	\$ 231.2	\$ 125.4	\$ 104.0	\$ 37.0	\$ (24.4)	\$ -	\$ 473.2
OPERATING EARNINGS PER SHARE	0.47	0.25	0.21	0.08	(0.05)	-	0.96
Based on Average Shares of:	492.3 million						

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

YTD Mar 2018
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
Gross Margin							
Total Revenues	\$ -	\$ -	\$ -	\$ (23.8)	\$ -	\$ -	\$ (23.8)
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
TOTAL	-	-	-	(23.8)	-	-	(23.8)
EXPENSES							
Maintenance and Other Operation	-	-	-	-	-	-	-
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-
OPERATING INCOME	-	-	-	(23.8)	-	-	(23.8)
Interest Income	-	-	-	-	-	-	-
Carrying Cost Income	-	-	-	-	-	-	-
Non-Service Cost Components of Net Periodic Benefit Cost	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	-	-	-	(23.8)	-	-	(23.8)
Income Taxes	-	-	-	(5.0)	-	-	(5.0)
Equity Earnings	-	-	-	-	-	-	-
NET INCOME	-	-	-	(18.8)	-	-	(18.8)
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Earnings Variance	\$ -	\$ -	\$ -	\$ (18.8)	\$ -	\$ -	\$ (18.8)
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	(18.8)	-	-	(18.8)
x	-	-	-	-	-	-	-
x	-	-	-	-	-	-	-
	-	-	-	(18.8)	-	-	(18.8)

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

**YTD Mar 2017
Preliminary, unaudited results**

(in millions)

GAAP Earnings

	Vertical Int Utilities	Trans & Dist Utilities	AEP Transmission Holdco	Generation & Marketing	Corp & Other	Eliminations	Total AEP
Gross Margin							
Total Revenues	\$ 2,290.4	\$ 1,086.4	\$ 156.1	\$ 591.4	\$ 26.5	\$ (217.5)	\$ 3,933.3
Fuel & Other Consumables Used for Electric Generation	474.4	3.0	-	132.0	-	26.2	635.6
Purchased Gas & Energy for Resale, and Other	314.0	281.3	-	273.2	-	(98.9)	769.6
TOTAL	<u>1,502.0</u>	<u>802.1</u>	<u>156.1</u>	<u>186.2</u>	<u>26.5</u>	<u>(144.8)</u>	<u>2,528.1</u>
EXPENSES							
Maintenance and Other Operation	660.1	287.9	14.1	99.8	26.2	(160.9)	927.2
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	(226.5)	-	-	(226.5)
Depreciation and Amortization	278.3	156.2	24.6	5.7	0.1	17.0	481.9
Taxes Other Than Income Taxes	101.1	126.9	28.0	2.0	-	1.8	259.8
TOTAL	<u>1,039.5</u>	<u>571.0</u>	<u>66.7</u>	<u>(119.0)</u>	<u>26.3</u>	<u>(142.1)</u>	<u>1,442.4</u>
OPERATING INCOME	<u>462.5</u>	<u>231.1</u>	<u>89.4</u>	<u>305.2</u>	<u>0.2</u>	<u>(2.7)</u>	<u>1,085.7</u>
Interest Income	3.1	3.5	0.3	2.2	6.0	(7.1)	8.0
Carrying Cost Income	4.1	1.9	(0.1)	-	-	-	5.9
Non-Service Cost Components of Net Periodic Benefit Cost	5.9	2.2	0.1	2.3	0.9	-	11.4
AFUDC	6.2	4.2	10.8	-	-	-	21.2
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(134.9)	(60.0)	(17.3)	(6.5)	(12.9)	9.8	(221.8)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	<u>346.9</u>	<u>182.9</u>	<u>83.2</u>	<u>303.2</u>	<u>(5.8)</u>	<u>-</u>	<u>910.4</u>
Income Taxes	127.7	63.8	36.4	117.0	(1.7)	-	343.2
Equity Earnings	1.3	-	26.0	-	(0.3)	-	27.0
NET INCOME	<u>220.5</u>	<u>119.1</u>	<u>72.8</u>	<u>186.2</u>	<u>(4.4)</u>	<u>-</u>	<u>594.2</u>
Net Income - Noncontrolling Interests	1.0	-	1.0	-	-	-	2.0
EARNINGS ATTRIBUTABLE TO AEP COMMON SHAREHOLDERS	<u>\$ 219.5</u>	<u>\$ 119.1</u>	<u>\$ 71.8</u>	<u>\$ 186.2</u>	<u>\$ (4.4)</u>	<u>\$ -</u>	<u>\$ 592.2</u>

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

YTD Mar 2017
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
Gross Margin							
Total Revenues	\$ 2,290.4	\$ 1,086.4	\$ 156.1	\$ 594.3	\$ 26.5	\$ (217.5)	\$ 3,936.2
Fuel & Other Consumables Used for Electric Generation	474.4	3.0	-	132.0	-	26.2	635.6
Purchased Gas & Energy for Resale, and Other	314.0	281.3	-	273.2	-	(98.9)	769.6
TOTAL	1,502.0	802.1	156.1	189.1	26.5	(144.8)	2,531.0
EXPENSES							
Maintenance and Other Operation	660.1	287.9	14.1	88.6	26.2	(160.9)	916.0
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-
Depreciation and Amortization	278.3	156.2	24.6	5.7	0.1	17.0	481.9
Taxes Other Than Income Taxes	101.1	126.9	28.0	2.0	-	1.8	259.8
TOTAL	1,039.5	571.0	66.7	96.3	26.3	(142.1)	1,657.7
OPERATING INCOME	462.5	231.1	89.4	92.8	0.2	(2.7)	873.3
Interest Income	3.1	3.5	0.3	2.2	6.0	(7.1)	8.0
Carrying Cost Income	4.1	1.9	(0.1)	-	-	-	5.9
Non-Service Cost Components of Net Periodic Benefit Cost	5.9	2.2	0.1	2.3	0.9	-	11.4
AFUDC	6.2	4.2	10.8	-	-	-	21.2
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	(134.9)	(60.0)	(17.3)	(6.5)	(12.9)	9.8	(221.8)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	346.9	182.9	83.2	90.8	(5.8)	-	698.0
Income Taxes	127.7	63.8	36.4	22.5	(1.7)	-	248.7
Equity Earnings	1.3	-	26.0	-	(0.3)	-	27.0
NET INCOME	220.5	119.1	72.8	68.3	(4.4)	-	476.3
Net Income - Noncontrolling Interests	1.0	-	1.0	-	-	-	2.0
OPERATING EARNINGS	\$ 219.5	\$ 119.1	\$ 71.8	\$ 68.3	\$ (4.4)	\$ -	\$ 474.3
OPERATING EARNINGS PER SHARE	0.45	0.24	0.14	0.14	(0.01)	-	0.96
Based on Average Shares of:	491.7 million						

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

YTD Mar 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
Gross Margin							
Total Revenues	\$ -	\$ -	\$ -	\$ (2.9)	\$ -	\$ -	\$ (2.9)
Fuel & Other Consumables Used for Electric Generation	-	-	-	-	-	-	-
Purchased Gas & Energy for Resale, and Other	-	-	-	-	-	-	-
TOTAL	-	-	-	(2.9)	-	-	(2.9)
EXPENSES							
Maintenance and Other Operation	-	-	-	11.2	-	-	11.2
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	(226.5)	-	-	(226.5)
Depreciation and Amortization	-	-	-	-	-	-	-
Taxes Other Than Income Taxes	-	-	-	-	-	-	-
TOTAL	-	-	-	(215.3)	-	-	(215.3)
OPERATING INCOME	-	-	-	212.4	-	-	212.4
Interest Income	-	-	-	-	-	-	-
Carrying Cost Income	-	-	-	-	-	-	-
Non-Service Cost Components of Net Periodic Benefit Cost	-	-	-	-	-	-	-
AFUDC	-	-	-	-	-	-	-
Investment Value Losses	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-	-
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	-	-	-	212.4	-	-	212.4
Income Taxes	-	-	-	94.5	-	-	94.5
Equity Earnings	-	-	-	-	-	-	-
NET INCOME	-	-	-	117.9	-	-	117.9
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-
Earnings Variance	\$ -	\$ -	\$ -	\$ 117.9	\$ -	\$ -	\$ 117.9
Mark-to-Market Impact of Commodity Hedging Activities	-	-	-	(2.0)	-	-	(2.0)
Gain from Competitive Generation Asset Sale	-	-	-	127.1	-	-	127.1
Impairment of Certain Merchant Generation Assets	-	-	-	(7.2)	-	-	(7.2)
x	-	-	-	-	-	-	-
	-	-	-	117.9	-	-	117.9

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

YTD Mar 2018
Preliminary, unaudited results

(in millions)

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
Gross Margin	545.5	52.8	47.2	382.3	115.4	8.9	166.0	249.9	(17.8)	1,550.2
EXPENSES										
Maintenance and Other Operation	210.2	24.7	28.9	200.5	44.5	2.6	113.7	126.0	(11.1)	740.0
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	108.4	9.8	11.5	59.3	28.3	1.8	36.8	57.4	-	313.3
Taxes Other Than Income Taxes	33.9	4.5	1.2	25.0	6.1	2.7	11.6	24.9	-	109.9
TOTAL	352.5	39.0	41.6	284.8	78.9	7.1	162.1	208.3	(11.1)	1,163.2
OPERATING INCOME	193.0	13.8	5.6	97.5	36.5	1.8	3.9	41.6	(6.7)	387.0
Interest Income	0.3	0.1	-	0.3	-	-	-	1.9	-	2.6
Carrying Cost Income	0.5	-	-	2.3	-	-	-	-	-	2.8
Non-Service Cost Components of Net Periodic Benefit Cost	4.5	0.4	0.3	4.5	1.0	0.1	2.2	2.3	2.8	18.1
AFUDC	2.5	0.4	-	1.8	0.4	0.1	(0.1)	2.3	-	7.4
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(47.3)	(2.9)	(1.1)	(29.8)	(9.4)	(0.5)	(14.6)	(32.3)	-	(137.9)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	153.5	11.8	4.8	76.6	28.5	1.5	(8.6)	15.8	(3.9)	280.0
Income Taxes	28.0	1.6	0.6	12.4	4.0	0.2	(1.4)	2.9	(0.6)	47.7
Equity Earnings	-	-	-	-	-	-	-	0.5	-	0.5
NET INCOME	125.5	10.2	4.2	64.2	24.5	1.3	(7.2)	13.4	(3.3)	232.8
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	1.6	-	1.6
OPERATING EARNINGS (non-GAAP)	\$ 125.5	\$ 10.2	\$ 4.2	\$ 64.2	\$ 24.5	\$ 1.3	\$ (7.2)	\$ 11.8	\$ (3.3)	\$ 231.2
x	-	-	-	-	-	-	-	-	-	-
x	-	-	-	-	-	-	-	-	-	-
x	-	-	-	-	-	-	-	-	-	-
GAAP / Reported Earnings	125.5	10.2	4.2	64.2	24.5	1.3	(7.2)	11.8	(3.3)	231.2

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Operating Earnings (non-GAAP)	Ohio Power	AEP Texas	Eliminations	Trans & Dist Utilities
Gross Margin	496.7	362.6	(0.1)	859.2
EXPENSES				
Maintenance and Other Operation	209.7	138.5	4.5	352.7
Asset Impairments and Other Related Charges	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-
Depreciation and Amortization	64.8	110.0	(2.2)	172.6
Taxes Other Than Income Taxes	105.0	32.4	-	137.4
TOTAL	379.5	280.9	2.3	662.7
OPERATING INCOME	117.2	81.7	(2.4)	196.5
Interest Income	0.9	0.5	-	1.4
Carrying Cost Income	0.7	-	-	0.7
Non-Service Cost Components of Net Periodic Benefit Cost	3.9	3.1	1.2	8.2
AFUDC	2.5	5.5	-	8.0
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(25.1)	(34.9)	(0.1)	(60.1)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	100.1	55.9	(1.3)	154.7
Income Taxes	20.5	9.1	(0.3)	29.3
Equity Earnings	-	-	-	-
NET INCOME	79.6	46.8	(1.0)	125.4
Net Income - Noncontrolling Interests	-	-	-	-
OPERATING EARNINGS (non-GAAP)	\$ 79.6	\$ 46.8	\$ (1.0)	\$ 125.4
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
GAAP / Reported Earnings	79.6	46.8	(1.0)	125.4

**AMERICAN ELECTRIC POWER COMPANY, INC.
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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
Gross Margin	534.8	46.1	45.5	378.6	105.0	8.7	166.6	238.0	(21.3)	1,502.0
EXPENSES										
Maintenance and Other Operation	185.2	19.4	28.2	188.6	48.5	2.5	102.6	110.9	(25.8)	660.1
Asset Impairments and Other Related Charges	-	-	-	-	-	-	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	100.5	9.7	10.0	50.0	22.1	1.7	33.5	50.8	-	278.3
Taxes Other Than Income Taxes	30.3	4.3	1.3	22.9	5.7	2.7	10.6	23.3	-	101.1
TOTAL	316.0	33.4	39.5	261.5	76.3	6.9	146.7	185.0	(25.8)	1,039.5
OPERATING INCOME	218.8	12.7	6.0	117.1	28.7	1.8	19.9	53.0	4.5	462.5
Interest Income	0.3	0.6	-	1.2	0.1	-	-	0.9	-	3.1
Carrying Cost Income	0.3	-	-	3.3	0.5	-	-	-	-	4.1
Non-Service Cost Components of Net Periodic Benefit Cost	1.3	0.1	0.1	1.5	0.4	-	0.9	0.9	0.7	5.9
AFUDC	1.5	0.2	1.1	2.1	0.2	-	0.4	0.7	-	6.2
Investment Value Losses	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-	-	-	-	-	-	-
Interest Expense	(48.0)	(2.9)	(0.8)	(27.6)	(11.5)	(0.5)	(13.6)	(30.0)	-	(134.9)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	174.2	10.7	6.4	97.6	18.4	1.3	7.6	25.5	5.2	346.9
Income Taxes	63.6	3.4	2.8	29.2	6.3	0.4	2.9	9.5	9.6	127.7
Equity Earnings	-	-	-	-	-	-	-	1.3	-	1.3
NET INCOME	110.6	7.3	3.6	68.4	12.1	0.9	4.7	17.3	(4.4)	220.5
Net Income - Noncontrolling Interests	-	-	-	-	-	-	-	1.0	-	1.0
OPERATING EARNINGS (non-GAAP)	\$ 110.6	\$ 7.3	\$ 3.6	\$ 68.4	\$ 12.1	\$ 0.9	\$ 4.7	\$ 16.3	\$ (4.4)	\$ 219.5
x	-	-	-	-	-	-	-	-	-	-
x	-	-	-	-	-	-	-	-	-	-
x	-	-	-	-	-	-	-	-	-	-
GAAP / Reported Earnings	110.6	7.3	3.6	68.4	12.1	0.9	4.7	16.3	(4.4)	219.5

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Operating Earnings (non-GAAP)	Ohio Power	AEP Texas	Eliminations	Trans & Dist Utilities
Gross Margin	464.8	340.6	(3.3)	802.1
EXPENSES				
Maintenance and Other Operation	159.4	127.2	1.3	287.9
Asset Impairments and Other Related Charges	-	-	-	-
Loss(Gain) of Sale of Property	-	-	-	-
Depreciation and Amortization	57.3	102.8	(3.9)	156.2
Taxes Other Than Income Taxes	98.5	28.4	-	126.9
TOTAL	315.2	258.4	(2.6)	571.0
OPERATING INCOME	149.6	82.2	(0.7)	231.1
Interest Income	2.5	1.0	-	3.5
Carrying Cost Income	1.9	-	-	1.9
Non-Service Cost Components of Net Periodic Benefit Cost	1.1	0.9	0.2	2.2
AFUDC	2.4	1.8	-	4.2
Investment Value Losses	-	-	-	-
Gain/(Loss) on Sale of Equity Investments	-	-	-	-
Interest Expense	(25.0)	(35.0)	-	(60.0)
INCOME BEFORE INCOME TAXES & EQUITY EARNINGS	132.5	50.9	(0.5)	182.9
Income Taxes	46.3	17.7	(0.2)	63.8
Equity Earnings	-	-	-	-
NET INCOME	86.2	33.2	(0.3)	119.1
Net Income - Noncontrolling Interests	-	-	-	-
OPERATING EARNINGS (non-GAAP)	\$ 86.2	\$ 33.2	\$ (0.3)	\$ 119.1
x	-	-	-	-
x	-	-	-	-
x	-	-	-	-
GAAP / Reported Earnings	86.2	33.2	(0.3)	119.1