

Consolidated Report to the Financial Community (Unaudited)

First Quarter 2002

Release Date: April 24, 2002

Highlights

- Net income for the first quarter was \$116 million or \$0.40 per share, including a cumulative effect of an accounting change related to the Company's retained 20.1 % ownership of Avon Energy Partners Holdings and several one-time charges. On a merger pro forma¹ basis, first quarter 2001 earnings were \$0.49 per share, after the cumulative effect of an accounting change related to the adoption of SFAS 133 and an early retirement program charge.

1Q 2002 Results Compared With 1Q 2001 Merger Pro Forma

- Electric distribution deliveries declined 8% and total electric generation sales declined by 5% compared to the same period last year. Residential deliveries declined by 6%, reflecting a decline in heating-degree days of 14%. Commercial and industrial deliveries declined by 9% reflecting a combination of mild weather and continued softness in the economy.
- Electric gross margin was \$24 million lower than the same period last year, after adjusting for deferred shopping incentives. Electric sales revenues decreased by \$135 million, due to the mild weather, restrained economic conditions, and increased customer shopping. Fuel expenses were \$28 million higher because of a 9% increase in generation output and a higher proportion of coal output in the generation mix. Purchased power costs decreased \$140 million, reflecting lower power prices and reduced volume.
- Nuclear operating expenses increased \$33 million over the same period last year due to two refueling outages this quarter compared to just one in the same period last year.
- Total depreciation and amortization expenses for the quarter decreased by \$21 million, excluding a \$28 million increase in shopping incentive deferrals. Deferred costs of \$12 million associated with our Ohio restructuring settlement and the elimination of \$9 million in depreciation associated with the pending sale of four coal plants to NRG Energy were contributing factors.
- General and franchise taxes increased by \$27 million over the same period last year. The \$15 million increase in general taxes was attributable to higher Pennsylvania gross receipts tax rates. The \$12 million increase in franchise taxes (Ohio state income taxes) was due to a timing difference in the implementation of tax changes associated with deregulation in Ohio in 2001.
- Gross margins from our unregulated businesses increased by \$17 million, which was primarily attributable to improved margins in our natural gas business.
- International operations contributed \$0.04 per share reflecting earnings from Avon Energy Partners Holdings for the period of February and March.

For additional information, please contact:

Kurt E. Turosky
Director, Investor Relations
(330) 384-5500

Terrance G. Howson
Vice President, Investor Relations
(973) 401-8519

Thomas C. Navin
Treasurer
(330) 384-5889

<u>After Tax EPS Variance Analysis</u>	<u>1st Qtr.</u>
First Quarter 2001 Merger Proforma EPS	\$0.49
Electric Gross Margin	(0.05)
Nuclear Operating Expenses	(0.07)
Depreciation and Amortization Expenses	0.04
General and Franchise Tax	(0.05)
Unregulated Businesses Gross Margin	0.03
International Operations	0.04
Pension and Employee Benefits	(0.02)
Other	(0.01)
EPS Before Cumulative Effect and One-Time Items	\$0.40
Cumulative Effects	0.14
One-Time Items (See Page 6 for Details)	(0.14)
First Quarter 2002 EPS	\$0.40

¹ The merger pro forma statements reflect the 2001 actual combined results for FirstEnergy and GPU with the following adjustments: goodwill amortization expense is eliminated; FE acquisition debt is included; the \$300 million of deferred energy expense write off at JCP&L is excluded; GasNet results are excluded (actual divestiture); Avon and Emdersa results are excluded (planned divestitures); and per share statistics reflect the new acquisition-related common shares.

FIRSTENERGY CORP. CONSOLIDATED INCOME STATEMENTS (thousands):	Actual Combined Three Months Ended March 31, 2002		
	2002	2001	Change
(1) REVENUES:			
(2) Electric Sales Revenues	\$ 2,125,179	\$ 1,403,256	\$ 721,923
(3) Natural Gas	204,594	331,316	(126,722)
(4) FE Facilities	119,753	140,070	(20,317)
(5) MYR	139,794	-	139,794
(6) International	113,326	-	113,326
(7) Other	99,511	100,083	(572)
(8) Mark-to-Market Adjustment	-	11,016	(11,016)
(9) Total revenues	<u>2,802,157</u>	<u>1,985,741</u>	<u>816,416</u>
(10)			
(11) EXPENSES:			
(12) Fuel	170,621	140,940	29,681
(13) Purchased Power	554,398	183,639	370,759
(14) Purchased Gas	206,227	352,770	(146,543)
(15) Other operating expenses	695,337	498,838	196,499
(16) International	61,447	-	61,447
(17) FE Facilities	118,135	137,150	(19,015)
(18) MYR	136,871	-	136,871
(19) Mark-to-Market Adjustment	(1,139)	9,462	(10,601)
(20) Provision for depreciation and amortization	262,828	227,214	35,614
(21) General taxes	171,988	119,422	52,566
(22) Total expenses	<u>2,376,713</u>	<u>1,669,435</u>	<u>707,278</u>
(23) INCOME BEFORE INTEREST AND INCOME TAXES	<u>425,444</u>	<u>316,306</u>	<u>109,138</u>
(25) Net interest charges:			
(26) Interest expense	241,565	118,219	123,346
(27) Capitalized interest	(5,814)	(8,823)	3,009
(28) Subsidiaries' preferred stock dividends	24,071	16,934	7,137
(29) Net interest charges	<u>259,822</u>	<u>126,330</u>	<u>133,492</u>
(30) Income taxes	<u>80,829</u>	<u>83,769</u>	<u>(2,940)</u>
(31) Income before cumulative effect of a change in accounting	84,793	106,207	(21,414)
(33) Cumulative effect of a change in accounting	31,700	(8,499)	40,199
(34) NET INCOME	<u>\$ 116,493</u>	<u>\$ 97,708</u>	<u>\$ 18,785</u>
(35)			
(36) Basic earnings per common share:			
(37) Before accounting change	\$ 0.29	\$ 0.49	\$ (0.20)
(38) Cumulative effect of accounting change	0.11	(0.04)	0.15
(39)	<u>\$ 0.40</u>	<u>\$ 0.45</u>	<u>\$ (0.05)</u>
(40) Weighted average number of basic shares outstanding	<u>292,791</u>	<u>218,107</u>	<u>74,684</u>
(42)			
(43) Diluted earnings per common share:			
(44) Before accounting change	\$ 0.29	\$ 0.49	\$ (0.20)
(45) Cumulative effect of accounting change	0.11	(0.04)	0.15
(46)	<u>\$ 0.40</u>	<u>\$ 0.45</u>	<u>\$ (0.05)</u>
(47) Weighted average number of diluted shares outstanding	<u>294,492</u>	<u>218,903</u>	<u>75,589</u>

FIRSTENERGY CORP.
CONSOLIDATED INCOME
STATEMENTS (thousands):

Proforma Combined
Three Months Ended
March 31, 2002

	<u>2002</u>	<u>2001</u>	<u>Change</u>
(1) REVENUES:			
(2) Electric Sales Revenues	\$2,125,179	\$2,288,370	\$ (163,191)
(3) Natural Gas	204,594	331,316	(126,722)
(4) FE Facilities	119,753	140,070	(20,317)
(5) MYR	139,794	158,235	(18,441)
(6) International	113,326	19,854	93,472
(7) Other	99,511	135,322	(35,811)
(8) Mark-to-Market Adjustment	-	11,016	(11,016)
(9) Total revenues	<u>2,802,157</u>	<u>3,084,183</u>	<u>(282,026)</u>
(10)			
(11) EXPENSES:			
(12) Fuel	170,621	142,278	28,343
(13) Purchased Power	554,398	694,517	(140,119)
(14) Purchased Gas	206,227	352,770	(146,543)
(15) Other operating expenses	695,337	618,854	76,483
(16) International	61,447	6,280	55,167
(17) FE Facilities	118,135	137,150	(19,015)
(18) MYR	136,871	153,663	(16,792)
(19) Mark-to-Market Adjustment	(1,139)	9,462	(10,601)
(20) Provision for depreciation and amortization	262,828	311,964	(49,136)
(21) General taxes	171,988	157,318	14,670
(22) Total expenses	<u>2,376,713</u>	<u>2,584,256</u>	<u>(207,543)</u>
(23) INCOME BEFORE INTEREST			
(24) AND INCOME TAXES	<u>425,444</u>	<u>499,927</u>	<u>(74,483)</u>
(25) Net interest charges:			
(26) Interest expense	241,565	218,660	22,905
(27) Capitalized interest	(5,814)	(9,561)	3,747
(28) Subsidiaries' preferred stock dividends	24,071	24,673	(602)
(29) Net interest charges	<u>259,822</u>	<u>233,772</u>	<u>26,050</u>
(30) Income taxes	<u>80,829</u>	<u>114,069</u>	<u>(33,240)</u>
(31) Income before cumulative effect of a			
(32) change in accounting	84,793	152,086	(67,293)
(33) Cumulative effect of a change in accounting	31,700	(8,499)	40,199
(34) NET INCOME	<u>\$ 116,493</u>	<u>\$ 143,587</u>	<u>\$ (27,094)</u>
(35)			
(36) Basic earnings per common share:			
(37) Before accounting change	\$ 0.29	\$ 0.52	\$ (0.23)
(38) Cumulative effect of accounting change	0.11	(0.03)	0.14
(39)	<u>\$ 0.40</u>	<u>\$ 0.49</u>	<u>\$ (0.09)</u>
(40) Weighted average number of basic			
(41) shares outstanding	<u>292,791</u>	<u>291,761</u>	<u>1,030</u>
(42)			
(43) Diluted earnings per common share:			
(44) Before accounting change	\$ 0.29	\$ 0.52	\$ (0.23)
(45) Cumulative effect of accounting change	0.11	(0.03)	0.14
(46)	<u>\$ 0.40</u>	<u>\$ 0.49</u>	<u>\$ (0.10)</u>
(47) Weighted average number of diluted			
(48) shares outstanding	<u>294,492</u>	<u>292,557</u>	<u>1,935</u>

FirstEnergy Actual Consolidated Income Segments

Three Months Ended March 31, 2002

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ 1,924,242	\$ 200,937	\$ -	\$ -	\$ 2,125,179
(3) Natural Gas	-	204,592	-	-	204,592
(4) External-Other	70,620	272,502	122,735	6,529 (a)	472,386
(5) Internal revenues	354,680	410,296	117,459	(882,435) (b)	-
(6) Total revenues	<u>2,349,542</u>	<u>1,088,327</u>	<u>240,194</u>	<u>(875,906)</u>	<u>2,802,157</u>
(7)					
(8) EXPENSES:					
(9) Fuel	1,176	166,533	2,912	-	170,621
(10) Purchased Power	905,791	106,844	-	(458,237) (b)	554,398
(11) Purchased Gas	-	206,227	-	-	206,227
(12) Other operating expenses	516,672	686,275	210,967	(403,263) (a)(b)	1,010,651
(13) Provision for depreciation and amortization	243,779	6,661	12,388	-	262,828
(14) General taxes	160,912	7,251	3,825	-	171,988
(15) Total expenses	<u>1,828,330</u>	<u>1,179,791</u>	<u>230,092</u>	<u>(861,500)</u>	<u>2,376,713</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	521,212	(91,464)	10,102	(14,406)	425,444
(18) Net interest charges	161,464	9,629	103,135	(14,406) (b)	259,822
(19) Income taxes	161,876	(41,469)	(39,578)	-	80,829
(20) Income before cumulative effect of a					
(21) change in accounting	197,872	(59,624)	(53,455)	-	84,793
(22) Cumulative effect of a change in accounting	-	-	31,700	-	31,700
(23) NET INCOME	<u>\$ 197,872</u>	<u>\$ (59,624)</u>	<u>\$ (21,755)</u>	<u>\$ -</u>	<u>\$ 116,493</u>

Three Months Ended March 31, 2001

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ 1,254,678	\$ 148,578	\$ -	\$ -	\$ 1,403,256
(3) Natural Gas	-	331,316	-	-	331,316
(4) External-Other	52,972	153,304	986	43,907 (a)	251,169
(5) Internal revenues	334,492	500,193	64,430	(899,115) (b)	-
(6) Total revenues	<u>1,642,142</u>	<u>1,133,391</u>	<u>65,416</u>	<u>(855,208)</u>	<u>1,985,741</u>
(7)					
(8) EXPENSES:					
(9) Fuel	-	140,940	-	-	140,940
(10) Purchased Power	500,193	183,639	-	(500,193) (b)	183,639
(11) Purchased Gas	-	352,770	-	-	352,770
(12) Other operating expenses	477,708	486,305	36,452	(355,015) (a)(b)	645,450
(13) Provision for depreciation and amortization	215,588	3,875	7,751	-	227,214
(14) General taxes	115,256	1,712	2,454	-	119,422
(15) Total expenses	<u>1,308,745</u>	<u>1,169,241</u>	<u>46,657</u>	<u>(855,208)</u>	<u>1,669,435</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	333,397	(35,850)	18,759	-	316,306
(18) Net interest charges	114,743	3,673	7,914	- (b)	126,330
(19) Income taxes	96,079	(16,204)	3,894	-	83,769
(20) Income before cumulative effect of a					
(21) change in accounting	122,575	(23,319)	6,951	-	106,207
(22) Cumulative effect of a change in accounting	-	(8,499)	-	-	(8,499)
(23) NET INCOME	<u>\$ 122,575</u>	<u>\$ (31,818)</u>	<u>\$ 6,951</u>	<u>\$ -</u>	<u>\$ 97,708</u>

2002 VS 2001

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ 669,564	\$ 52,359	\$ -	\$ -	\$ 721,923
(3) Natural Gas	-	(126,724)	-	-	(126,724)
(4) External-Other	17,648	119,198	121,749	(37,378) (a)	221,217
(5) Internal revenues	20,188	(89,897)	53,029	16,680 (b)	-
(6) Total revenues	<u>707,400</u>	<u>(45,064)</u>	<u>174,778</u>	<u>(20,698)</u>	<u>816,416</u>
(7)					
(8) EXPENSES:					
(9) Fuel	1,176	25,593	2,912	-	29,681
(10) Purchased Power	405,598	(76,795)	-	41,956 (b)	370,759
(11) Purchased Gas	-	(146,543)	-	-	(146,543)
(12) Other operating expenses	38,964	199,970	174,515	(48,248) (a)(b)	365,201
(13) Provision for depreciation and amortization	28,191	2,786	4,637	-	35,614
(14) General taxes	45,656	5,539	1,371	-	52,566
(15) Total expenses	<u>519,585</u>	<u>10,550</u>	<u>183,435</u>	<u>(6,292)</u>	<u>707,278</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	187,815	(55,614)	(8,657)	(14,406)	109,138
(18) Net interest charges	46,721	5,956	95,221	(14,406) (b)	133,492
(19) Income taxes	65,797	(25,265)	(43,472)	-	(2,940)
(20) Income before cumulative effect of a					
(21) change in accounting	75,297	(36,305)	(60,406)	-	(21,414)
(22) Cumulative effect of a change in accounting	-	8,499	31,700	-	40,199
(23) NET INCOME	<u>\$ 75,297</u>	<u>\$ (27,806)</u>	<u>\$ (28,706)</u>	<u>\$ -</u>	<u>\$ 18,785</u>

Reconciling adjustments to segment operating results from internal management reporting to consolidated external financial reporting.

(a) Principally fuel marketing revenues which are reflected as reductions to expenses for internal management reporting purposes.

(b) Elimination of intersegment transactions.

(c) "Other" segment primarily consists of corporate support services and international businesses.

FirstEnergy Proforma Combined Income Segments

Three Months Ended March 31, 2002

<u>(In thousands):</u>	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ 1,924,242	\$ 200,937	\$ -	\$ -	\$ 2,125,179
(3) Natural Gas	-	204,592	-	-	204,592
(4) External-Other	70,620	272,502	122,735	6,529 (a)	472,386
(5) Internal revenues	354,680	410,296	117,459	(882,435) (b)	-
(6) Total revenues	<u>2,349,542</u>	<u>1,088,327</u>	<u>240,194</u>	<u>(875,906)</u>	<u>2,802,157</u>
(7)					
(8) EXPENSES:					
(9) Fuel	1,176	166,533	2,912	-	170,621
(10) Purchased Power	905,791	106,844	-	(458,237) (b)	554,398
(11) Purchased Gas	-	206,227	-	-	206,227
(12) Other operating expenses	516,672	686,275	210,967	(403,263) (a)(b)	1,010,651
(13) Provision for depreciation and amortization	243,779	6,661	12,388	-	262,828
(14) General taxes	160,912	7,251	3,825	-	171,988
(15) Total expenses	<u>1,828,330</u>	<u>1,179,791</u>	<u>230,092</u>	<u>(861,500)</u>	<u>2,376,713</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	521,212	(91,464)	10,102	(14,406)	425,444
(18) Net interest charges	161,464	9,629	103,135	(14,406) (b)	259,822
(19) Income taxes	161,876	(41,469)	(39,578)	-	80,829
(20) Income before cumulative effect of a change in accounting	197,872	(59,624)	(53,455)	-	84,793
(22) Cumulative effect of a change in accounting	-	-	31,700	-	31,700
(23) NET INCOME	<u>\$ 197,872</u>	<u>\$ (59,624)</u>	<u>\$ (21,755)</u>	<u>\$ -</u>	<u>\$ 116,493</u>

Three Months Ended March 31, 2001

<u>(In thousands):</u>	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ 2,139,701	\$ 148,669	\$ -	\$ -	\$ 2,288,370
(3) Natural Gas	-	331,316	-	-	331,316
(4) External-Other	88,996	323,950	28,375	23,176 (a)	464,497
(5) Internal revenues	334,492	500,193	64,430	(899,115) (b)	-
(6) Total revenues	<u>2,563,189</u>	<u>1,304,128</u>	<u>92,805</u>	<u>(875,939)</u>	<u>3,084,183</u>
(7)					
(8) EXPENSES:					
(9) Fuel	1,338	140,940	-	-	142,278
(10) Purchased Power	999,904	194,806	-	(500,193) (b)	694,517
(11) Purchased Gas	-	352,770	-	-	352,770
(12) Other operating expenses	582,038	640,610	48,411	(345,650) (a)(b)	925,409
(13) Provision for depreciation and amortization	296,996	3,948	11,020	-	311,964
(14) General taxes	153,152	1,712	2,454	-	157,318
(15) Total expenses	<u>2,033,428</u>	<u>1,334,786</u>	<u>61,885</u>	<u>(845,843)</u>	<u>2,584,256</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	529,761	(30,658)	30,920	(30,096)	499,927
(18) Net interest charges	194,065	4,094	65,709	(30,096) (b)	233,772
(19) Income taxes	136,554	(14,812)	(7,673)	-	114,069
(20) Income before cumulative effect of a change in accounting	199,142	(19,940)	(27,116)	-	152,086
(22) Cumulative effect of a change in accounting	-	(8,499)	-	-	(8,499)
(23) NET INCOME	<u>\$ 199,142</u>	<u>\$ (28,439)</u>	<u>\$ (27,116)</u>	<u>\$ -</u>	<u>\$ 143,587</u>

2002 VS 2001

<u>(In thousands):</u>	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales Revenues	\$ (215,459)	\$ 52,268	\$ -	\$ -	\$ (163,191)
(3) Natural Gas	-	(126,724)	-	-	(126,724)
(4) External-Other	(18,376)	(51,448)	94,360	(16,647) (a)	7,889
(5) Internal revenues	20,188	(89,897)	53,029	16,680 (b)	-
(6) Total revenues	<u>(213,647)</u>	<u>(215,801)</u>	<u>147,389</u>	<u>33</u>	<u>(282,026)</u>
(7)					
(8) EXPENSES:					
(9) Fuel	(162)	25,593	2,912	-	28,343
(10) Purchased Power	(94,113)	(87,962)	-	41,956 (b)	(140,119)
(11) Purchased Gas	-	(146,543)	-	-	(146,543)
(12) Other operating expenses	(65,366)	45,665	162,556	(57,613) (a)(b)	85,242
(13) Provision for depreciation and amortization	(53,217)	2,713	1,368	-	(49,136)
(14) General taxes	7,760	5,539	1,371	-	14,670
(15) Total expenses	<u>(205,098)</u>	<u>(154,995)</u>	<u>168,207</u>	<u>(15,657)</u>	<u>(207,543)</u>
(16) INCOME BEFORE INTEREST					
(17) AND INCOME TAXES	(8,549)	(60,806)	(20,818)	15,690	(74,483)
(18) Net interest charges	(32,601)	5,535	37,426	15,690 (b)	26,050
(19) Income taxes	25,322	(26,657)	(31,905)	-	(33,240)
(20) Income before cumulative effect of a change in accounting	(1,270)	(39,684)	(26,339)	-	(67,293)
(22) Cumulative effect of a change in accounting	-	8,499	31,700	-	40,199
(23) NET INCOME	<u>\$ (1,270)</u>	<u>\$ (31,185)</u>	<u>\$ 5,361</u>	<u>\$ -</u>	<u>\$ (27,094)</u>

Reconciling adjustments to segment operating results from internal management reporting to consolidated external financial reporting.

(a) Principally fuel marketing revenues which are reflected as reductions to expenses for internal management reporting purposes.

(b) Elimination of intersegment transactions.

(c) "Other" segment primarily consists of corporate support services and international businesses.

FirstEnergy Statistical Summary

FirstEnergy Combined Electric Sales Statistics			
Three Months Ended March 31,			
	2002	2001	Change
(In Millions)			
ELECTRIC GENERATION SALES (KWHs):			
Retail -			
Regulated	21,672	24,110	-10.1%
Unregulated	1,403	1,453	-3.4%
Total Retail	23,075	25,563	-9.7%
Wholesale	5,572	4,460	24.9%
Total Electric Generation Sales	28,647	30,023	-4.6%
ELECTRIC DISTRIBUTION DELIVERIES (KWHs):			
Residential	8,773	9,369	-6.4%
Commercial and Industrial	16,035	17,586	-8.8%
Other	138	130	6.2%
Total Distribution Deliveries	24,946	27,085	-7.9%
ELECTRIC SALES SHOPPED (KWHs):			
Residential	1,172	295	297.3%
Commercial and Industrial	2,107	2,578	-18.3%
Other	0	1	0.0%
Total Electric Sales Shopped	3,279	2,874	14.1%

At March 31,				
	Post-Merger	% Total	Pro Forma	% Total
	2002		2001	
Capitalization (in thousands):				
Total common equity	\$ 7,442,482	29%	\$ 7,353,802	28%
Preferred stock *	1,074,971	4%	1,283,122	5%
Long-term debt *	14,706,813	57%	15,091,832	58%
Short-term debt *	862,528	3%	532,550	2%
Off-balance sheet debt equivalents:				
- Sale-leaseback arrangements	1,467,254	6%	1,520,815	6%
-Accounts receivable factoring	200,000	1%	200,000	1%
Total Capitalization	\$ 25,754,048	100%	\$ 25,982,121	100%

* Includes debt related to pending international operations divestitures and amounts due to be paid within one year

At March 31,		
Common Stock Data (A)	2002	2001
Stock Price During the Quarter:		
High	\$39.12	\$31.75
Low	\$30.30	\$25.10
Close	\$34.58	\$27.92
Dividends Declared per Share (Quarter)	\$0.375	\$0.375
Annualized Dividend Yield	4.3%	5.4%
Price/Earnings Ratio (12 mos ending) (B)	13.6	10.9
Dividend Payout Ratio (12 mos ending) (B)	59%	59%
Cash Coverage of Dividend	4.3	4.5
Return on Average Common Equity (12 mos ending)(B)	12%	12%
Book Value Per Share	\$25.41	\$21.51
Annualized Dividend/Book Value	5.9%	7.0%
Notes: (A) Includes results for former GPU, Inc. companies from November 7, 2001 acquisition date. (B) Before cumulative effect of a change in accounting principle		

Three Months Ended March 31,			
	Post-Merger	Pro Forma	Change
	2002	2001	
(in thousands)			
Financial Statistics (in thousands):			
L-T Debt and Preferred Stock Redemptions	\$ 167,529	\$ 49,785	\$ 117,744
Short-term Debt Increase (Decrease)	\$ (16,338)	\$ 194,357	\$ (210,695)
Capital Investments	\$ 164,938	\$ 257,794	\$ (92,856)

One-Time Items: 2002 vs 2001			
Three Months Ended			
March 31,			
	2002	2001	Change
Early Retirement Costs - 2001	\$ -	\$ 8,800	\$ (8,800)
Long-term Derivative Contract Adjustment	18,091	-	18,091
Equity Investment - Bankruptcy	30,371	-	30,371
Telecommunications Investment Writedown	12,610	-	12,610
Generation Project Cancellation	17,102	-	17,102
Total - Expenses	\$ 78,174	\$ 8,800	\$ 69,374
EPS Effect	\$0.16	\$0.02	\$0.14
Note: Above one-time items included in "Other operating expenses" on the Consolidated Income Statements.			

FirstEnergy Statistical Summary

	Three Months Ended		
	March 31,		
	2002	2001	Change
NATURAL GAS SALES (Thousands of Decatherms)			
Retail	38,266	36,015	2,251
Wholesale	12,300	10,387	1,913
Total Gas Sales	50,566	46,402	4,164

	Three Months Ended March 31,		
	2002	2001	Change
Ohio Transition Plan Accelerations (in thousands)			
Depreciation and Amortization	\$ 61,795	\$ 61,464	\$ 331
Income Tax Amortization	8,231	8,438	(207)
Total-Accelerations	\$ 70,026	\$ 69,902	\$ 124
Regulatory Deferrals			
Ohio Transition Plan			
Beginning Balance	\$ 75,406	\$ -	
Deferral of Shopping Incentives	31,036	3,104	27,932
Deferral of New Regulatory Assets	12,459	-	12,459
Year to date deferrals	43,495	3,104	40,391
Ending Balance-Ohio Deferrals	\$ 118,901	\$ 3,104	
Deferred Energy Costs			
Pennsylvania			
Beginning Balance	\$ 218,531	\$ -	
Deferral (recovery) of energy costs	(19,131)	-	(19,131)
Ending Balance	\$ 199,400	\$ -	
New Jersey			
Beginning Balance	\$ 301,204	\$ 199,224	
Deferral of energy costs	18,651	53,813	(35,162)
Ending Balance	\$ 319,855	\$ 253,037	
Mark-to-Market Adjustment			
Revenues	\$ -	\$ 11,016	\$ (11,016)
Expenses	(1,139)	9,462	(10,601)
Pre-Tax Income Effect	\$ 1,139	\$ 1,554	\$ (415)
EPS Effect	\$0.01	\$0.01	\$0.00

	At March 31,	
	2002	2001
Operating Statistics (12 mos. Ending)		
System Load Factor	52.4%	64.7%
Capacity Factors:		
Fossil	51.9%	58.7%
Nuclear	86.4%	88.1%
Generation Output		
Fossil	57%	59%
Nuclear	43%	41%
Weather		
Composite Heating Days Year-to-Date (Normal - 2,896)	2,513	2,921

RECENT DEVELOPMENTS

Pennsylvania Commonwealth Court Decision

On February 21, the Pennsylvania Commonwealth Court affirmed the Pennsylvania Public Utility Commission (PPUC) approval of FirstEnergy and GPU's merger. However, the Court also ruled that Metropolitan Edison and Pennsylvania Electric could not recover, either on a current or deferred basis, energy costs related to their provider of last resort obligation to Pennsylvania retail customers beyond those already reflected in rates. Also, the Court remanded the issue of merger savings back to the Commission for further review.

On March 25, FirstEnergy and the PPUC filed a motion with the Supreme Court of Pennsylvania arguing that the Commonwealth Court incorrectly treated the deferrals of energy costs as a rate increase and improperly applied Pennsylvania law regarding exceptions to the cap on generation rates. Also on March 25, Citizen's Power filed a motion seeking an appeal of the Commonwealth Court's decision to affirm the merger.

Davis-Besse Nuclear Power Station

On March 13, FirstEnergy announced that the refueling and maintenance outage for the 883 MW Davis Besse unit would be extended. The plant began its thirteenth refueling outage on February 16 was originally expected to return to service by the end of March. However, an area of corrosion was found in the reactor vessel head near a nozzle penetration hole. A thorough root cause analysis has been submitted to the Nuclear Regulatory Commission (NRC) regarding the cause of the corrosion. The Company plans to file its proposed repair plan with the NRC shortly.

The Company must obtain approval of the repair plan from the NRC. It is expected that the unit can return to service in the third quarter, 2002. The Company has secured replacement power supplies to fully hedge the on-peak energy supply for Davis-Besse through August. The net replacement energy costs on a pre-tax basis are expected to be between \$10 to \$15 million per month for the non-summer months and \$20 to \$25 million per month for July and August.

Revised Sale of Avon Energy to Aquila

On March 18, it was announced that Aquila will acquire a 79.9% economic interest in Avon Energy Partners Holdings Company from FirstEnergy for a purchase price of \$264 million. Avon's debt of approximately \$1.7 billion, which is non-recourse to FirstEnergy, will no longer be included on FirstEnergy's consolidated balance sheet. This purchase includes a \$150 million payment at closing and six annual payments of \$19 million, commencing on the first anniversary of the closing. FirstEnergy will initially retain ownership of the remaining 20.1% interest in Avon. This transaction is a revision of the original Purchase and Sale agreement signed by the two companies on November 7, 2001.

On April 23, the Missouri Public Commission approved the sale of Avon Energy Partners Holdings to Aquila. It is expected that this transaction will close by mid-May.

Revised Earnings Guidance

On April 10, FirstEnergy lowered its 2002 earnings guidance to \$3.30 to \$3.45 per share from the previously announced range of \$3.45-\$3.65 per share. The revised guidance excludes the repair and replacement power costs associated with the Davis-Besse Nuclear Power Station reactor vessel head corrosion.

This Consolidated Report to the Financial Community includes forward-looking statements based on information currently available to management. Such statements are subject to certain risks and uncertainties. These statements typically contain, but are not limited to, the terms "anticipate," "expect," "believe," "estimate," and similar words. Actual results may differ materially due to a number of factors including, but not limited to, the speed and nature of regulatory approvals.