

Consolidated Report to the Financial Community (Unaudited)

First Quarter 2004 Highlights (Released May 7, 2004)

- Normalized non-GAAP earnings, excluding costs associated with the Davis-Besse extended outage, were \$0.65 per share, compared with first quarter 2003 normalized non-GAAP earnings of \$0.57 per share. GAAP earnings for the first quarter of 2004 were \$0.53 per share compared with the GAAP earnings of \$0.74 per share in the same quarter of 2003, which included income of \$0.35 per share from the cumulative effect of an accounting change regarding the adoption of SFAS No.143.

<u>After Tax EPS Variance Analysis</u>	<u>1st Qtr.</u>
1st Quarter 2003 Basic EPS - GAAP Basis (Restated)	\$ 0.74
Cumulative Effect of Accounting Change - 2003	(0.35)
1st Quarter 2003 Basic EPS - Non-GAAP Basis	\$ 0.39
Davis-Besse Incremental Expenses - 2003	0.18
1st Quarter 2003 Normalized Earnings - Non-GAAP	\$ 0.57
Electric Gross Margin (Excl. Davis-Besse)	0.07
JCP&L Rate Reduction (August 2003)	(0.09)
Generation Operating Expenses (Excl. Davis-Besse)	0.09
Energy Delivery	(0.02)
Pension and Other Employee Benefits	0.06
Depreciation and Amortization	(0.05)
Financing Costs	0.07
Common Stock Dilution	(0.06)
Other	0.01
1st Quarter 2004 Normalized Earnings - Non-GAAP	\$ 0.65
Davis-Besse Incremental Expenses - 2004	(0.12)
1st Quarter 2004 Basic EPS - GAAP Basis	\$ 0.53

1Q 2004 Results Compared With 1Q 2003

- Electric distribution deliveries were flat as a 1% increase in industrial deliveries was offset by lower residential deliveries due to milder weather compared with the unusually cold temperatures in the first quarter of 2003. Heating-degree-days were 4% lower than the same period last year, but 6% above normal. Total electric generation sales rose 4% due to a 20% increase in wholesale sales. Retail generation sales declined 2% largely as a result of increased customer shopping.
- Electric gross margin increased \$39 million after adjusting for changes in regulatory deferrals, JCP&L's rate reduction in August 2003, and Davis-Besse replacement power costs. The increase in electric gross margin resulted from higher wholesale generation sales, driven by an 11% increase in generation output, and lower prices for purchased power.
- Generation operating expenses, excluding incremental expenses associated with the Davis-Besse outage, decreased \$47 million. Nuclear operating expenses decreased \$37 million due to the absence of a refueling outage this quarter, compared with the Beaver Valley Unit 1 outage last year. Fossil operating expenses decreased \$10 million, reflecting fewer maintenance outages compared with the same period last year.
- Energy delivery expenses were \$10 million higher as a result of increased vegetation management activities and accelerated spending to enhance system reliability.

- Pension and other employee benefit costs decreased approximately \$30 million as a result of favorable market returns in 2003, changes to health care benefits for retirees, and recent Medicare legislation regarding prescription drugs.
- Total depreciation and amortization expenses, adjusted for the regulatory deferrals and the JCP&L rate case impact, increased \$25 million due to higher Ohio transition cost amortization.
- Net interest charges decreased \$34 million. Financing activities during the quarter included \$29 million in mandatory long-term debt redemptions, \$50 million in optional debt redemptions, and \$256 million of refinancing and repricing transactions. These are expected to result in annualized savings of \$6 million. Additional shares outstanding from the issuance of 32.2 million shares of common stock in the third quarter of 2003 diluted earnings by \$0.06 per share.

1Q 2004 Earnings Impact Associated with Davis-Besse

- Incremental expenses associated with the extended outage at Davis-Besse totaled \$65 million, or \$0.12 per share (\$64 million of replacement power costs and \$1 million of O&M expenses).

2004 Earnings and Free Cash Flow Guidance*

- Earnings guidance for 2004 remains at \$2.70 to \$2.85 per share, excluding incremental expenses associated with the Davis-Besse outage and unusual charges.
- Free cash flow guidance for 2004 remains at \$825 million, but now includes the incremental expenses associated with the Davis-Besse outage.

* The GAAP to Non-GAAP reconciliation statements are available on FirstEnergy Corp.'s website at www.firstenergycorp.com/ir.

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**FIRSTENERGY CORP. CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)**

	Three Months Ended March 31,		
	2004	2003	Change
(1) REVENUES:		(In thousands)	
(2) Electric Sales	\$ 2,655,612	\$ 2,624,216	\$ 31,396
(3) Natural Gas	164,687	244,866	(80,179)
(4) FE Facilities	86,500	74,212	12,288
(5) MYR	91,237	112,294	(21,057)
(6) International	6	7,662	(7,656)
(7) Other	184,532	157,487	27,045
(8) Total revenues	<u>3,182,574</u>	<u>3,220,737</u>	<u>(38,163)</u>
(9)			
(10) EXPENSES:			
(11) Fuel	198,359	172,758	25,601
(12) Purchased Power	935,967	927,878	8,089
(13) Purchased Gas	153,528	224,797	(71,269)
(14) Other operating expenses	663,123	728,114	(64,991)
(15) FE Facilities	86,920	74,759	12,161
(16) MYR	90,782	109,633	(18,851)
(17) International	262	10,389	(10,127)
(18) Mark-to-Market Adjustment	528	3,690	(3,162)
(19) Provision for depreciation	146,037	161,557	(15,520)
(20) Amortization of regulatory assets	266,195	214,806	51,389
(21) General taxes	179,085	178,067	1,018
(22) Total expenses	<u>2,720,786</u>	<u>2,806,448</u>	<u>(85,662)</u>
(23) INCOME BEFORE INTEREST			
(24) AND INCOME TAXES	<u>461,788</u>	<u>414,289</u>	<u>47,499</u>
(25) Net interest charges:			
(26) Interest expense	172,864	200,261	(27,397)
(27) Capitalized interest	(6,470)	(9,152)	2,682
(28) Subsidiaries' preferred stock dividends	5,281	14,542	(9,261)
(29) Net interest charges	<u>171,675</u>	<u>205,651</u>	<u>(33,976)</u>
(30) Income taxes	<u>116,114</u>	<u>94,258</u>	<u>21,856</u>
(31) Income before discontinued operations			
(32) and accounting change	173,999	114,380	59,619
(33) Discontinued Operations	-	1,975	(1,975)
(34) Cumulative effect of accounting change	-	102,147	(102,147)
(35) NET INCOME	<u>\$ 173,999</u>	<u>\$ 218,502</u>	<u>\$ (44,503)</u>
(36)			
(37) Basic earnings per common share:			
(38) Before discontinued operations and			
(39) accounting change	\$ 0.53	\$ 0.39	\$ 0.14
(40) Discontinued operations	-	-	-
(41) Cumulative effect of accounting change	-	0.35	(0.35)
(42)	<u>\$ 0.53</u>	<u>\$ 0.74</u>	<u>\$ (0.21)</u>
(43) Weighted average number of basic			
(44) shares outstanding	<u>327,057</u>	<u>293,886</u>	<u>33,171</u>
(45)			
(46) Diluted earnings per common share:			
(47) Before discontinued operations and			
(48) accounting change	\$ 0.53	\$ 0.39	\$ 0.14
(49) Discontinued operations	-	-	-
(50) Cumulative effect of accounting change	-	0.35	(0.35)
(51)	<u>\$ 0.53</u>	<u>\$ 0.74</u>	<u>\$ (0.21)</u>
(52) Weighted average number of diluted			
(53) shares outstanding	<u>329,034</u>	<u>294,877</u>	<u>34,157</u>

FirstEnergy Corp. Consolidated Income Segments
(Unaudited)

Three Months Ended March 31, 2004

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ 1,159,022	\$ 1,496,590	\$ -	\$ -	\$ 2,655,612
(3) Natural Gas	-	164,687	-	-	164,687
(4) FE Facilities	-	86,500	-	-	86,500
(5) MYR	-	91,237	-	-	91,237
(6) International	-	-	6	-	6
(7) Other	136,090	34,342	6,578	7,522 (a)	184,532
(8) Internal revenues	-	-	119,875	(119,875) (b)	-
(9) Total revenues	<u>1,295,112</u>	<u>1,873,356</u>	<u>126,459</u>	<u>(112,353)</u>	<u>3,182,574</u>
(10)					
(11) EXPENSES:					
(12) Fuel	-	198,359	-	-	198,359
(13) Purchased Power	-	935,967	-	-	935,967
(14) Purchased Gas	-	153,528	-	-	153,528
(15) Other operating expenses	272,585	374,531	113,445	(97,438) (a)(b)	663,123
(16) FE Facilities	-	86,920	-	-	86,920
(17) MYR	-	90,782	-	-	90,782
(18) International	-	-	262	-	262
(19) Mark-to-Market Adjustment	-	456	72	-	528
(20) Provision for depreciation	127,245	8,643	10,149	-	146,037
(21) Amortization of regulatory assets	266,195	-	-	-	266,195
(22) General taxes	161,015	11,290	6,780	-	179,085
(23) Total expenses	<u>827,040</u>	<u>1,860,476</u>	<u>130,708</u>	<u>(97,438)</u>	<u>2,720,786</u>
(24) Claim Settlement	-	-	-	-	-
(25) INCOME BEFORE INTEREST AND INCOME TAXES	<u>468,072</u>	<u>12,880</u>	<u>(4,249)</u>	<u>(14,915)</u>	<u>461,788</u>
(27) Net interest charges:					
(28) Interest expense	105,222	13,507	69,050	(14,915) (b)	172,864
(29) Capitalized interest	(5,112)	(1,305)	(53)	-	(6,470)
(30) Subsidiaries' preferred stock dividends	5,281	-	-	-	5,281
(31) Net interest charges	<u>105,391</u>	<u>12,202</u>	<u>68,997</u>	<u>(14,915)</u>	<u>171,675</u>
(32) Income taxes	146,942	278	(31,106)	-	116,114
(33) Income before discontinued operations and an accounting change	215,739	400	(42,140)	-	173,999
(35) Discontinued operations	-	-	-	-	-
(36) Cumulative effect of an accounting change	-	-	-	-	-
(37) NET INCOME	<u>\$ 215,739</u>	<u>\$ 400</u>	<u>\$ (42,140)</u>	<u>\$ -</u>	<u>\$ 173,999</u>

(Unaudited)

Three Months Ended March 31, 2003

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ 1,213,467	\$ 1,410,749	\$ -	\$ -	\$ 2,624,216
(3) Natural Gas	-	244,866	-	-	244,866
(4) FE Facilities	-	74,212	-	-	74,212
(5) MYR	-	112,294	-	-	112,294
(6) International	-	-	7,662	-	7,662
(7) Other	95,477	32,149	26,533	3,328 (a)	157,487
(8) Internal revenues	-	-	123,794	(123,794) (b)	-
(9) Total revenues	<u>1,308,944</u>	<u>1,874,270</u>	<u>157,989</u>	<u>(120,466)</u>	<u>3,220,737</u>
(10)					
(11) EXPENSES:					
(12) Fuel	-	172,758	-	-	172,758
(13) Purchased Power	-	927,878	-	-	927,878
(14) Purchased Gas	-	224,797	-	-	224,797
(15) Other operating expenses	219,480	484,739	109,654	(85,759) (a)(b)	728,114
(16) FE Facilities	-	74,759	-	-	74,759
(17) MYR	-	109,633	-	-	109,633
(18) International	-	-	10,389	-	10,389
(19) Mark-to-Market Adjustment	-	3,841	(151)	-	3,690
(20) Provision for depreciation	140,572	11,698	9,287	-	161,557
(21) Amortization of regulatory assets	214,806	-	-	-	214,806
(22) General taxes	163,758	10,337	3,972	-	178,067
(23) Total expenses	<u>738,616</u>	<u>2,020,440</u>	<u>133,151</u>	<u>(85,759)</u>	<u>2,806,448</u>
(24) INCOME BEFORE INTEREST AND INCOME TAXES	<u>570,328</u>	<u>(146,170)</u>	<u>24,838</u>	<u>(34,707)</u>	<u>414,289</u>
(27) Net interest charges:					
(27) Interest expense	116,752	13,844	104,372	(34,707) (b)	200,261
(28) Capitalized interest	(7,050)	(2,102)	-	-	(9,152)
(29) Subsidiaries' preferred stock dividends	14,542	-	-	-	14,542
(30) Net interest charges	<u>124,244</u>	<u>11,742</u>	<u>104,372</u>	<u>(34,707)</u>	<u>205,651</u>
(31) Income taxes	189,465	(66,093)	(29,114)	-	94,258
(33) Income before discontinued operations and an accounting change	256,619	(91,819)	(50,420)	-	114,380
(34) Discontinued operations	-	(4,478)	6,453	-	1,975
(35) Cumulative effect of a change in accounting	100,960	1,187	-	-	102,147
(36) NET INCOME	<u>\$ 357,579</u>	<u>\$ (95,110)</u>	<u>\$ (43,967)</u>	<u>\$ -</u>	<u>\$ 218,502</u>

FirstEnergy Corp. Consolidated Income Segments

(Unaudited)

Three Months Ended March 31, 2004 VS 2003

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ (54,445)	\$ 85,841	\$ -	\$ -	\$ 31,396
(3) Natural Gas	-	(80,179)	-	-	(80,179)
(4) FE Facilities	-	12,288	-	-	12,288
(5) MYR	-	(21,057)	-	-	(21,057)
(6) International	-	-	(7,656)	-	(7,656)
(7) Other	40,613	2,193	(19,955)	4,194 (a)	27,045
(8) Internal revenues	-	-	(3,919)	3,919 (b)	-
(9) Total revenues	(13,832)	(914)	(31,530)	8,113	(38,163)
(10)					
(11) EXPENSES:					
(12) Fuel	-	25,601	-	-	25,601
(13) Purchased Power	-	8,089	-	-	8,089
(14) Purchased Gas	-	(71,269)	-	-	(71,269)
(15) Other operating expenses	53,105	(110,208)	3,791	(11,679) (a)(b)	(64,991)
(16) FE Facilities	-	12,161	-	-	12,161
(17) MYR	-	(18,851)	-	-	(18,851)
(18) International	-	-	(10,127)	-	(10,127)
(19) Mark-to-Market Adjustment	-	(3,385)	223	-	(3,162)
(20) Provision for depreciation	(13,327)	(3,055)	862	-	(15,520)
(21) Amortization of regulatory assets	51,389	-	-	-	51,389
(22) General taxes	(2,743)	953	2,808	-	1,018
(23) Total expenses	88,424	(159,964)	(2,443)	(11,679)	(85,662)
(24) INCOME BEFORE INTEREST AND INCOME TAXES	(102,256)	159,050	(29,087)	19,792	47,499
(26) Net interest charges:					
(27) Interest expense	(11,530)	(337)	(35,322)	19,792	(27,397)
(28) Capitalized interest	1,938	797	(53)	-	2,682
(29) Subsidiaries' preferred stock dividends	(9,261)	-	-	-	(9,261)
(30) Net interest charges	(18,853)	460	(35,375)	19,792	(33,976)
(31) Income taxes	(42,523)	66,371	(1,992)	-	21,856
(32) Income before discontinued operations and an accounting change	(40,880)	92,219	8,280	-	59,619
(34) Discontinued operations	-	4,478	(6,453)	-	(1,975)
(35) Cumulative effect of a change in accounting	(100,960)	(1,187)	-	-	(102,147)
(36) NET INCOME	\$ (141,840)	\$ 95,510	\$ 1,827	\$ -	\$ (44,503)

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 Corp. Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET		
(UNAUDITED)		
	<u>As of</u> <u>March 31, 2004</u>	<u>As of</u> <u>December 31, 2003</u>
	(In thousands)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 280,269	\$ 113,975
Receivables	1,232,754	1,505,500
Other	958,719	623,836
	<u>2,471,742</u>	<u>2,243,311</u>
Property, Plant and Equipment	13,259,146	13,268,922
Investments	3,307,212	3,497,691
Deferred Charges	13,546,436	13,900,024
	<u>\$ 32,584,536</u>	<u>\$ 32,909,948</u>
Liabilities and Capitalization		
Current Liabilities		
Currently payable long-term debt and preferred stock	\$ 1,736,737	\$ 1,754,197
Short-term borrowings	133,999	521,540
Accounts payable	548,221	725,239
Other	1,546,914	1,471,191
	<u>3,965,871</u>	<u>4,472,167</u>
Capitalization		
Common stockholders' equity	8,344,723	8,289,341
Preferred stock not subject to mandatory redemption	335,123	335,123
Long-term debt and other long-term obligations	10,150,067	9,789,066
	<u>18,829,913</u>	<u>18,413,530</u>
Noncurrent Liabilities	9,788,752	10,024,251
	<u>\$ 32,584,536</u>	<u>\$ 32,909,948</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS		
(UNAUDITED)		
	<u>Three Months Ended March 31,</u>	
	<u>2004</u>	<u>2003</u>
	(In thousands)	
Cash flows from operating activities		
Net income	\$ 173,999	\$ 218,502
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization of regulatory assets, nuclear fuel and leases	434,106	391,281
Deferred costs recoverable as regulatory assets	(83,907)	(94,311)
Deferred income taxes and investment tax credits	5,923	21,882
Cumulative effect of accounting change	-	(174,663)
Income from discontinued operations	-	(1,975)
Change in working capital and other	119,502	101,546
	<u>649,623</u>	<u>462,262</u>
Cash flows from financing activities	(240,024)	(236,375)
Cash flows from investing activities	(243,305)	(117,708)
Net increase in cash and cash equivalents	166,294	108,179
Cash and cash equivalents at beginning of period	113,975	225,932
Cash and cash equivalents at end of period	<u>\$ 280,269</u>	<u>\$ 334,111</u>

FirstEnergy Corp. Statistical Summary

Adjusted Capitalization (Including Off-Balance Sheet Items)				
As of March 31,				
	2004	% Total	2003	% Total
(Dollars in thousands)				
Total common equity	\$ 8,344,723	37%	\$ 7,163,301	31%
Preferred stock *	335,123	2%	335,123	1%
Long-term debt - all other*	11,886,804	53%	13,097,207	57%
Short-term debt *	133,999	1%	855,327	4%
Off-balance sheet debt equivalents:				
- Sale-leaseback arrangements	1,408,416	6%	1,496,580	6%
-Accounts receivable factoring	200,000	1%	145,000	1%
Total	<u>\$ 22,309,065</u>	<u>100%</u>	<u>\$ 23,092,538</u>	<u>100%</u>

* Includes amounts due to be paid within one year, JCP&L securitization of \$293 million and \$310 million in 2004 and 2003, respectively.

Financial Statistics			
Three Months Ended March 31,			
	2004	2003	Change
(in thousands)			
L-T Debt and Preferred Stock Redemptions	\$ 268,920	\$ 200,866	\$ 68,054
Short-term Debt Increase (Decrease)	\$ (387,541)	\$ (237,490)	\$ (150,051)
Capital Expenditures	\$ 138,406	\$ 224,419	\$ (86,013)

Three Months Ended March 31,			
	2004	2003	Change
Regulatory Deferrals			
Ohio Transition Plan			
Beginning Balance	\$ 453,005	\$ 259,353	
Deferral of Shopping Incentives	41,561	45,426	\$ (3,865)
Deferral of New Regulatory Assets	2,544	4,590	(2,046)
Current period deferrals	44,105	50,016	\$ (5,911)
Ending Balance-Ohio Deferrals	<u>\$ 497,110</u>	<u>\$ 309,369</u>	
Deferred Energy Costs			
New Jersey			
Beginning Balance	\$ 440,900	\$ 548,641	
Deferral (recovery) of energy costs	(15,500)	(18,313)	\$ 2,813
Ending Balance	<u>\$ 425,400</u>	<u>\$ 530,328</u>	
Mark-to-Market Adjustment			
Expenses - Pre-Tax Income Effect:			
Increase (Decrease)	\$ 528	\$ 3,690	\$ (3,162)
EPS Effect	\$0.00	(\$0.01)	\$0.01

FirstEnergy Corp. Statistical Summary

ELECTRIC SALES STATISTICS	Three Months Ended March 31,		
	2004	2003	Change
	(KWH In Millions)		
Electric Generation Sales			
Retail -			
Regulated	20,742	22,118	-6.2%
Unregulated	4,016	3,229	24.4%
Total Retail	24,758	25,347	-2.3%
Wholesale	12,463	10,426	19.5%
Total Electric Generation Sales	37,221	35,773	4.0%
Electric Distribution Deliveries			
Residential	10,107	10,127	-0.2%
Commercial	8,296	8,292	0.0%
Industrial	8,798	8,724	0.8%
Other	133	140	-5.0%
Total Distribution Deliveries	27,334	27,283	0.2%
Electric Sales Shopped			
Residential	2,173	1,647	31.9%
Commercial	2,336	1,626	43.7%
Industrial	2,083	1,892	10.1%
Total Electric Sales Shopped	6,592	5,165	27.6%

NATURAL GAS SALES STATISTICS	Three Months Ended March 31,		
	2004	2003	Change
	(Decatherms in thousands)		
Retail	18,102	29,577	-38.8%
Wholesale	8,099	10,037	-19.3%
Total Natural Gas Sales	26,201	39,614	-33.9%

Operating Statistics (12 mos. Ending)	As of March 31,	
	2004	2003
System Load Factor	64.9%	61.3%
Capacity Factors:		
Fossil	59.4%	59.3%
Nuclear	66.6%	70.8%
Generation Output:		
Fossil	68%	67%
Nuclear	32%	33%
Weather		
Composite Heating Days Year-to-Date (Normal - 2828)	2,988	3,116

Davis–Besse Nuclear Plant

On March 8, the Davis-Besse Nuclear Plant received authorization to restart from the Nuclear Regulatory Commission (NRC) following a two-year extended outage to replace the reactor head and make other equipment and performance improvements. The plant reached the 100 percent power level on April 4. As part of the NRC's restart authorization, independent assessments of the site's operational performance; safety culture and safety conscious work environment; and corrective action and engineering programs will be conducted annually for the next five years. Additionally, a visual inspection of the reactor head and lower vessel will be conducted during the plant's mid-cycle outage.

Ohio Rate Stabilization Plan

On February 23, following the completion of the cross-examination in the direct case, FirstEnergy's Ohio electric utility operating companies filed the rebuttal testimony of President and CEO Anthony J. Alexander in our regulatory proceeding for establishing generation service rates beginning January 1, 2006. In the testimony, the Companies made certain modifications to the Rate Stabilization Plan (RSP) initially filed on October 21, 2003 to address the comments and testimony of the Commission Staff witnesses, as well as those provided by some of the intervening parties. Initial and reply briefs were filed on March 17 and 31, respectively.

On April 21, in response to certain intervenors' request, the Commission allowed for oral arguments before the Commissioners on the merits of the RSP proposal. Certain intervenors, including The Ohio Consumers' Counsel, The City of Cleveland, and several power marketers, argued against adoption of the RSP, while Mr. Alexander provided rebuttal arguments outlining the Plan's benefits. We anticipate a Commission Order in the proceeding within the next few weeks.

Corporate Governance Enhancements

On February 18, FirstEnergy's Board of Directors elected, subject to SEC approval, to accelerate termination of its Shareholder Rights Plan to March 2004. The plan was originally set to expire in November 2007. The Board also submitted two other proposals for consideration at the May 18 Annual Shareowners' Meeting. The first proposal would phase out the classified structure of the Board, whereby all directors would now be elected annually as opposed to having staggered three-year terms. The second proposal would reduce the percentage of affirmative votes from 80 percent to two-thirds for making certain amendments to governing documents. All three initiatives were in response to the support shown on similar shareholder proposals at the 2003 Annual Meeting and furthered the Board's goal of insuring sound corporate governance policies. On May 5, the SEC issued approval of the changes to the Articles and Code of Regulations and termination of the Shareholder Rights Plan.

Forward-Looking Statements: 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," "potential," "expect," "believe," "estimate," and similar words. Actual results may differ materially due to the speed and nature of increased competition and deregulation in the electric utility industry, economic or weather conditions affecting future sales and margins, changes in markets for energy services, changing energy and commodity market prices, replacement power costs being higher than anticipated or inadequately hedged, maintenance costs being higher than anticipated, legislative and regulatory changes (including revised environmental requirements), adverse regulatory or legal decisions and the outcome of governmental investigations, availability and cost of capital, the continuing availability and operation of generating units, the inability to accomplish or realize anticipated benefits of strategic goals, the ability to improve electric commodity margins and to experience growth in the distribution business, the ability to access the public securities markets, further investigation into the causes of the August 14, 2003 regional power outage and the outcome, cost and other effects of present and potential legal and administrative proceedings and claims related to that outage, a denial of or material change to the Company's Application related to its Rate Stabilization Plan, and other factors discussed from time to time in FirstEnergy's Securities and Exchange Commission filings, including its annual report on Form 10-K for the year ended December 31, 2003, and other similar factors. FirstEnergy expressly disclaims any current intention to update any forward-looking statements contained in this document as a result of new information, future events, or otherwise.