Consolidated Report to the Financial Community (Unaudited)

Second Quarter 2002

Release Date: July 24, 2002

After Tax EPS Variance Analysis	2nd Qtr.
2nd Quarter 2001 Merger Pro Forma[1] Basic EPS	**$ 0.70**
Electric Gross Margin	0.15
Natural Gas Gross Margin	0.03
Employee Benefits	(0.05)
Depreciation and Amortization	0.03
General and Franchise Tax	(0.07)
Other	0.01
2nd Quarter 2002 Basic EPS *	**$ 0.80**

* Includes Davis-Besse earnings impact of ($0.10) per share

Highlights

- Net income for the second quarter was $233 million, producing basic earnings of $0.80 per share. Results improved 14% compared to second quarter 2001 merger pro forma[1] net income of $204 million or $0.70 per share.

2Q 2002 Results Compared With 2Q 2001 Merger Pro Forma[1]

- Electric distribution deliveries increased 2% compared to the same period last year. This increase was attributable to the residential sector where deliveries were up 6%, while commercial and industrial sector deliveries were flat. Total electric generation sales were relatively unchanged as a 1% increase in retail generation sales was offset by a 4% decline in wholesale sales.
- Electric gross margin rose $74 million, after adjusting for an increase in Ohio shopping incentive deferrals of $20 million and $12 million of transition cost amortization. Electric sales revenues, excluding shopping incentives, increased by $17 million as higher retail sales volume offset reduced volume and prices associated with wholesale sales. Fuel expenses increased by $37 million as a result of a 9% rise in total generation output and a higher proportion of fossil production in the generation mix. Purchased power costs, excluding deferred energy cost amortization, decreased $94 million as a result of lower prices in the wholesale market and excellent performance by our fossil fleet. Natural gas gross margins rose $13 million compared to the same period last year, primarily due to reduced sourcing costs for our gas marketing business.
- Employee benefit costs increased by approximately $27 million due to the reduced market value of pension plan assets, the conversion of the former GPU companies pension accounting to fair value, and increased health care costs. Generating costs were relatively flat as higher nuclear costs, primarily attributable to Davis-Besse's extended outage, were offset by favorable fossil operating performance.
- Total depreciation and amortization decreased by $14 million, excluding a $20 million increase in shopping incentive deferrals and a $12 million decrease in transition cost amortization. This reduction was primarily attributable to a $10 million decrease in depreciation expense associated with the pending sale of four coal plants to NRG Energy and a $5 million reduction in decommissioning expenses associated with the Saxton Research Reactor.
- General and franchise taxes increased by $34 million over the same period last year. The $15 million increase in general taxes was attributable to a successful court appeal on nuclear fuel valuations, which reduced last year's tax expense. The $19 million increase in franchise and local taxes was attributable to a timing difference in the implementation of tax changes associated with the 2001 deregulation of electric generation in Ohio.

Earnings Impact Associated with Davis-Besse

- Total incremental expenses and lost margin opportunity associated with the extended outage at Davis-Besse totaled $52 million during the quarter. This included $34 million of replacement power costs, $12 million of O&M expenses related to the reactor head restoration effort and $6 million of lost margin opportunity.

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[1] The merger proforma 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 Three Months Ended June 30, 2002			Actual Six Months Ended June 30, 2002		
		2002	2001	Change	2002	2001	Change
(1)	REVENUES:						
(2)	Electric Sales	$2,306,675	$1,362,866	$ 943,809	$4,431,854	$2,766,122	$1,665,732
(3)	Natural Gas	162,841	177,761	(14,920)	367,435	509,077	(141,642)
(4)	FE Facilities	136,131	143,285	(7,154)	255,884	283,355	(27,471)
(5)	MYR	143,982	-	143,982	283,776	-	283,776
(6)	International	83,177	-	83,177	196,503	-	196,503
(7)	Other	115,902	120,234	(4,332)	215,413	220,317	(4,904)
(8)	Mark-to-Market Adjustment	-	-	-	-	11,016	(11,016)
(9)	Total revenues	2,948,708	1,804,146	1,144,562	5,750,865	3,789,887	1,960,978
(10)							
(11)	EXPENSES:						
(12)	Fuel	190,620	151,776	38,844	361,241	292,716	68,525
(13)	Purchased Power	612,003	148,752	463,251	1,166,401	332,391	834,010
(14)	Purchased Gas	145,954	173,557	(27,603)	352,181	526,374	(174,193)
(15)	Other operating expenses	606,783	495,964	110,819	1,302,120	994,755	307,365
(16)	FE Facilities	133,421	138,420	(4,999)	251,556	275,570	(24,014)
(17)	MYR	142,533	-	142,533	279,404	-	279,404
(18)	International	46,463	-	46,463	107,910	-	107,910
(19)	Mark-to-Market Adjustment	6,956	9,462	(2,506)	5,817	18,924	(13,107)
(20)	Provision for depreciation and amortization	250,705	206,606	44,099	513,533	433,820	79,713
(21)	General taxes	145,106	92,186	52,920	317,094	211,608	105,486
(22)	Total expenses	2,280,544	1,416,723	863,821	4,657,257	3,086,158	1,571,099
(23)	INCOME BEFORE INTEREST						
(24)	AND INCOME TAXES	668,164	387,423	280,741	1,093,608	703,729	389,879
(25)	Net interest charges:						
(26)	Interest expense	231,782	116,342	115,440	473,347	234,561	238,786
(27)	Capitalized interest	(6,605)	(12,296)	5,691	(12,419)	(21,119)	8,700
(28)	Subsidiaries' preferred stock dividends	25,105	16,919	8,186	49,176	33,853	15,323
(29)	Net interest charges	250,282	120,965	129,317	510,104	247,295	262,809
(30)	Income taxes	184,572	120,439	64,133	265,401	204,208	61,193
(31)	Income before cumulative effect of a						
(32)	change in accounting	233,310	146,019	87,291	318,103	252,226	65,877
(33)	Cumulative effect of a change in accounting	-	-	-	31,700	(8,499)	40,199
(34)	NET INCOME	$ 233,310	$ 146,019	$ 87,291	$ 349,803	$ 243,727	$ 106,076
(35)							
(36)	Basic earnings per common share:						
(37)	Before accounting change	$ 0.80	$ 0.67	$ 0.13	$ 1.08	$ 1.16	$ (0.08)
(38)	Cumulative effect of accounting change	-	-	-	0.11	(0.04)	0.15
(39)		$ 0.80	$ 0.67	$ 0.13	$ 1.19	$ 1.12	$ 0.07
(40)	Weighted average number of basic						
(41)	shares outstanding	293,080	218,372	74,708	292,935	218,239	74,696
(42)							
(43)	Diluted earnings per common share:						
(44)	Before accounting change	$ 0.79	$ 0.67	$ 0.12	$ 1.08	$ 1.15	$ (0.07)
(45)	Cumulative effect of accounting change	-	-	-	0.11	(0.04)	0.15
(46)		$ 0.79	$ 0.67	$ 0.12	$ 1.19	$ 1.11	$ 0.08
(47)	Weighted average number of diluted						
(48)	shares outstanding	294,589	219,540	75,049	294,472	219,235	75,237

	FIRSTENERGY CORP. CONSOLIDATED INCOME STATEMENTS (thousands):	Proforma Combined Three Months Ended June 30, 2002			Proforma Combined Six Months Ended June 30, 2002		
		2002	2001	Change	2002	2001	Change
(1)	REVENUES:						
(2)	Electric Sales	$2,306,675	$2,309,893	$ (3,218)	$4,431,854	$4,598,263	$ (166,409)
(3)	Natural Gas	162,841	177,761	(14,920)	367,435	509,077	(141,642)
(4)	FE Facilities	136,131	143,285	(7,154)	255,884	283,355	(27,471)
(5)	MYR	143,982	175,035	(31,053)	283,776	333,270	(49,494)
(6)	International	83,177	12,790	70,387	196,503	32,644	163,859
(7)	Other	115,902	157,543	(41,641)	215,413	292,865	(77,452)
(8)	Mark-to-Market Adjustment	-	-	-	-	11,016	(11,016)
(9)	Total revenues	2,948,708	2,976,307	(27,599)	5,750,865	6,060,490	(309,625)
(10)							
(11)	EXPENSES:						
(12)	Fuel	190,620	153,216	37,404	361,241	295,494	65,747
(13)	Purchased Power	612,003	694,377	(82,374)	1,166,401	1,388,894	(222,493)
(14)	Purchased Gas	145,954	173,557	(27,603)	352,181	526,327	(174,146)
(15)	Other operating expenses	606,783	612,708	(5,925)	1,302,120	1,231,562	70,558
(16)	FE Facilities	133,421	138,420	(4,999)	251,556	275,570	(24,014)
(17)	MYR	142,533	164,033	(21,500)	279,404	317,696	(38,292)
(18)	International	46,463	6,486	39,977	107,910	12,766	95,144
(19)	Mark-to-Market Adjustment	6,956	9,462	(2,506)	5,817	18,924	(13,107)
(20)	Provision for depreciation and amortization	250,705	296,969	(46,264)	513,533	608,933	(95,400)
(21)	General taxes	145,106	130,329	14,777	317,094	287,647	29,447
(22)	Total expenses	2,280,544	2,379,557	(99,013)	4,657,257	4,963,813	(306,556)
(23)	INCOME BEFORE INTEREST						
(24)	AND INCOME TAXES	668,164	596,750	71,414	1,093,608	1,096,677	(3,069)
(25)	Net interest charges:						
(26)	Interest expense	231,782	218,648	13,134	473,347	437,308	36,039
(27)	Capitalized interest	(6,605)	(12,459)	5,854	(12,419)	(22,020)	9,601
(28)	Subsidiaries' preferred stock dividends	25,105	24,658	447	49,176	49,331	(155)
(29)	Net interest charges	250,282	230,847	19,435	510,104	464,619	45,485
(30)	Income taxes	184,572	162,087	22,485	265,401	276,156	(10,755)
(31)	Income before cumulative effect of a						
(32)	change in accounting	233,310	203,816	29,494	318,103	355,902	(37,799)
(33)	Cumulative effect of a change in accounting	-	-	-	31,700	(8,499)	40,199
(34)	NET INCOME	$ 233,310	$ 203,816	$ 29,494	$ 349,803	$ 347,403	$ 2,400
(35)							
(36)	Basic earnings per common share:						
(37)	Before accounting change	$ 0.80	$ 0.70	$ 0.10	$ 1.08	$ 1.22	$ (0.14)
(38)	Cumulative effect of accounting change	-	-	-	0.11	(0.03)	0.14
(39)		$ 0.80	$ 0.70	$ 0.10	$ 1.19	$ 1.19	$ -
(40)	Weighted average number of basic						
(41)	shares outstanding	293,080	292,027	1,053	292,935	291,894	1,041
(42)							
(43)	Diluted earnings per common share:						
(44)	Before accounting change	$ 0.79	$ 0.70	$ 0.09	$ 1.08	$ 1.22	$ (0.14)
(45)	Cumulative effect of accounting change	-	-	-	0.11	(0.03)	0.14
(46)		$ 0.79	$ 0.70	$ 0.09	$ 1.19	$ 1.19	$ -
(47)	Weighted average number of diluted						
(48)	shares outstanding	294,589	293,196	1,393	294,472	292,888	1,584

FIrstEnergy Actual Consolidated Income Segments

Three Months Ended June 30, 2002

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 2,168,736	$ 137,939	$ -	$ -	$ 2,306,675
(3)	Natural Gas	-	162,841	-	-	162,841
(4)	FE Facilities	-	136,131	-	-	136,131
(5)	MYR	-	143,982	-	-	143,982
(6)	International	-	-	83,177	-	83,177
(7)	Other	100,693	6,541	2,860	5,808 (a)	115,902
(8)	Mark-to-Market Adjustment	-	-	-	-	-
(9)	Internal revenues	177,213	416,530	124,653	(718,396) (b)	-
(10)	Total revenues	2,446,642	1,003,964	210,690	(712,588)	2,948,708
(11)						
(12)	EXPENSES:					
(13)	Fuel	1,298	186,306	3,016	-	190,620
(14)	Purchased Power	939,374	41,218	-	(368,589) (b)	612,003
(15)	Purchased Gas	-	145,954	-	-	145,954
(16)	Other operating expenses	493,235	323,123	119,518	(329,093) (a)(b)	606,783
(17)	FE Facilities	-	133,421	-	-	133,421
(18)	MYR	-	142,533	-	-	142,533
(19)	International	-	-	46,463	-	46,463
(20)	Mark-to-Market Adjustment	-	2,051	4,905	-	6,956
(21)	Provision for depreciation and amortization	232,644	6,206	11,855	-	250,705
(22)	General taxes	138,338	4,685	2,083	-	145,106
(23)	Total expenses	1,804,889	985,497	187,840	(697,682)	2,280,544
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	641,753	18,467	22,850	(14,906)	668,164
(26)	Net interest charges:					-
(27)	Interest expense	133,585	10,528	102,575	(14,906) (b)	231,782
(28)	Capitalized interest	(3,062)	(2,841)	(702)	-	(6,605)
(29)	Subsidiaries' preferred stock dividends	25,105	-	-	-	25,105
(30)	Net interest charges	155,628	7,687	101,873	(14,906)	250,282
(31)	Income taxes	213,180	4,408	(33,016)	-	184,572
(32)	Income before cumulative effect of a					
(33)	change in accounting	272,945	6,372	(46,007)	-	233,310
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 272,945	$ 6,372	$ (46,007)	$ -	$ 233,310

Three Months Ended June 30, 2001

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 1,187,954	$ 174,912	$ -	$ -	$ 1,362,866
(3)	Natural Gas	-	177,761	-	-	177,761
(4)	FE Facilities	-	143,285	-	-	143,285
(5)	MYR	-	-	-	-	-
(6)	International	-	-	-	-	-
(7)	Other	73,677	3,040	1,082	42,435 (a)	120,234
(8)	Mark-to-Market Adjustment	-	-	-	-	-
(9)	Internal revenues	323,345	448,068	64,814	(836,227) (b)	-
(10)	Total revenues	1,584,976	947,066	65,896	(793,792)	1,804,146
(11)						
(12)	EXPENSES:					
(13)	Fuel	-	151,776	-	-	151,776
(14)	Purchased Power	448,068	148,752	-	(448,068) (b)	148,752
(15)	Purchased Gas	-	173,557	-	-	173,557
(16)	Other operating expenses	403,286	342,547	42,990	(292,859) (a)(b)	495,964
(17)	FE Facilities	-	138,420	-	-	138,420
(18)	MYR	-	-	-	-	-
(19)	International	-	-	-	-	-
(20)	Mark-to-Market Adjustment	-	9,462	-	-	9,462
(21)	Provision for depreciation and amortization	195,574	4,431	6,601	-	206,606
(22)	General taxes	88,863	1,619	1,704	-	92,186
(23)	Total expenses	1,135,791	970,564	51,295	(740,927)	1,416,723
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	449,185	(23,498)	14,601	(52,865)	387,423
(26)	Net interest charges:					
(27)	Interest expense	145,441	16,309	7,457	(52,865) (b)	116,342
(28)	Capitalized interest	(1,775)	(10,993)	472	-	(12,296)
(29)	Subsidiaries' preferred stock dividends	16,919	-	-	-	16,919
(30)	Net interest charges	160,585	5,316	7,929	(52,865)	120,965
(31)	Income taxes	129,463	(11,896)	2,872	-	120,439
(32)	Income before cumulative effect of a					
(33)	change in accounting	159,137	(16,918)	3,800	-	146,019
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 159,137	$ (16,918)	$ 3,800	$ -	$ 146,019

2002 VS 2001

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 980,782	$ (36,973)	$ -	$ -	$ 943,809
(3)	Natural Gas	-	(14,920)	-	-	(14,920)
(4)	FE Facilities	-	(7,154)	-	-	(7,154)
(5)	MYR	-	143,982	-	-	143,982
(6)	International	-	-	83,177	-	83,177
(7)	Other	27,016	3,501	1,778	(36,627) (a)	(4,332)
(8)	Mark-to-Market Adjustment	-	-	-	-	-
(9)	Internal revenues	(146,132)	(31,538)	59,839	117,831 (b)	-
(10)	Total revenues	861,666	56,898	144,794	81,204	1,144,562
(11)						
(12)	EXPENSES:					
(13)	Fuel	1,298	34,530	3,016	-	38,844
(14)	Purchased Power	491,306	(107,534)	-	79,479 (b)	463,251
(15)	Purchased Gas	-	(27,603)	-	-	(27,603)
(16)	Other operating expenses	89,949	(19,424)	76,528	(36,234) (a)(b)	110,819
(17)	FE Facilities	-	(4,999)	-	-	(4,999)
(18)	MYR	-	142,533	-	-	142,533
(19)	International	-	-	46,463	-	46,463
(20)	Mark-to-Market Adjustment	-	(7,411)	4,905	-	(2,506)
(21)	Provision for depreciation and amortization	37,070	1,775	5,254	-	44,099
(22)	General taxes	49,475	3,066	379	-	52,920
(23)	Total expenses	669,098	14,933	136,545	43,245	863,821
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	192,568	41,965	8,249	37,959	280,741
(26)	Net interest charges:					-
(27)	Interest expense	(11,856)	(5,781)	95,118	37,959 (b)	115,440
(28)	Capitalized interest	(1,287)	8,152	(1,174)	-	5,691
(29)	Subsidiaries' preferred stock dividends	8,186	-	-	-	8,186
(30)	Net interest charges	(4,957)	2,371	93,944	37,959	129,317
(31)	Income taxes	83,717	16,304	(35,888)	-	64,133
(32)	Income before cumulative effect of a					
(33)	change in accounting	113,808	23,290	(49,807)	-	87,291
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 113,808	$ 23,290	$ (49,807)	$ -	$ 87,291

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 June 30, 2002

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 2,168,736	$ 137,939	$ -	$ -	$ 2,306,675
(3)	Natural Gas	-	162,841	-	-	162,841
(4)	FE Facilities	-	136,131	-	-	136,131
(5)	MYR	-	143,982	-	-	143,982
(6)	International	-	-	83,177	-	83,177
(7)	Other	100,693	6,541	2,860	5,808 (a)	115,902
(8)	Mark-to-Market Adjustment	-	-	-	-	-
(9)	Internal revenues	177,213	416,530	124,653	(718,396) (b)	-
(10)	Total revenues	2,446,642	1,003,964	210,690	(712,588)	2,948,708
(11)						
(12)	EXPENSES:					
(13)	Fuel	1,298	186,306	3,016	-	190,620
(14)	Purchased Power	939,374	41,218	-	(368,589) (b)	612,003
(15)	Purchased Gas	-	145,954	-	-	145,954
(16)	Other operating expenses	493,235	323,123	119,518	(329,093) (a)(b)	606,783
(17)	FE Facilities	-	133,421	-	-	133,421
(18)	MYR	-	142,533	-	-	142,533
(19)	International	-	-	46,463	-	46,463
(20)	Mark-to-Market Adjustment	-	2,051	4,905	-	6,956
(21)	Provision for depreciation and amortization	232,644	6,206	11,855	-	250,705
(22)	General taxes	138,338	4,685	2,083	-	145,106
(23)	Total expenses	1,804,889	985,497	187,840	(697,682)	2,280,544
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	641,753	18,467	22,850	(14,906)	668,164
(26)	Net interest charges:					-
(27)	Interest expense	133,585	10,528	102,575	(14,906) (b)	231,782
(28)	Capitalized interest	(3,062)	(2,841)	(702)	-	(6,605)
(29)	Subsidiaries' preferred stock dividends	25,105	-	-	-	25,105
(30)	Net interest charges	155,628	7,687	101,873	(14,906)	250,282
(31)	Income taxes	213,180	4,408	(33,016)	-	184,572
(32)	Income before cumulative effect of a					
(33)	change in accounting	272,945	6,372	(46,007)	-	233,310
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 272,945	$ 6,372	$ (46,007)	$ -	$ 233,310

Three Months Ended June 30, 2001

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 2,134,808	$ 175,085	$ -	$ -	$ 2,309,893
(3)	Natural Gas	-	177,761	-	-	177,761
(4)	FE Facilities	-	143,285	-	-	143,285
(5)	MYR	-	175,035	-	-	175,035
(6)	International	-	(19,854)	32,644	-	12,790
(7)	Other	114,023	30,025	(16,031)	29,526 (a)	157,543
(8)	Mark-to-Market Adjustment	-	-	-	- (b)	-
(9)	Internal revenues	323,345	448,068	64,814	(836,227)	-
(10)	Total revenues	2,572,176	1,129,405	81,427	(806,701)	2,976,307
(11)						
(12)	EXPENSES:					
(13)	Fuel	1,440	151,776	-	-	153,216
(14)	Purchased Power	988,490	154,155	-	(448,268) (b)	694,377
(15)	Purchased Gas	-	173,557	-	-	173,557
(16)	Other operating expenses	569,346	343,663	35,363	(335,664) (a)(b)	612,708
(17)	FE Facilities	-	138,420	-	-	138,420
(18)	MYR	-	164,033	-	-	164,033
(19)	International	-	-	6,486	-	6,486
(20)	Mark-to-Market Adjustment	-	9,462	-	-	9,462
(21)	Provision for depreciation and amortization	282,126	5,065	9,778	-	296,969
(22)	General taxes	127,006	1,619	1,704	-	130,329
(23)	Total expenses	1,968,408	1,141,750	53,331	(783,932)	2,379,557
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	603,768	(12,345)	28,096	(22,769)	596,750
(26)	Net interest charges:					
(27)	Interest expense	161,536	16,426	63,455	(22,769) (b)	218,648
(28)	Capitalized interest	(1,938)	(10,993)	472	-	(12,459)
(29)	Subsidiaries' preferred stock dividends	24,658	-	-	-	24,658
(30)	Net interest charges	184,256	5,433	63,927	(22,769)	230,847
(31)	Income taxes	179,881	(7,584)	(10,210)	-	162,087
(32)	Income before cumulative effect of a					
(33)	change in accounting	239,631	(10,194)	(25,621)	-	203,816
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 239,631	$ (10,194)	$ (25,621)	$ -	$ 203,816

2002 VS 2001

	(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1)	REVENUES:					
(2)	Electric Sales	$ 33,928	$ (37,146)	$ -	$ -	$ (3,218)
(3)	Natural Gas	-	(14,920)	-	-	(14,920)
(4)	FE Facilities	-	(7,154)	-	-	(7,154)
(5)	MYR	-	(31,053)	-	-	(31,053)
(6)	International	-	19,854	50,533	-	70,387
(7)	Other	(13,330)	(23,484)	18,891	(23,718) (a)	(41,641)
(8)	Mark-to-Market Adjustment	-	-	-	- (b)	-
(9)	Internal revenues	(146,132)	(31,538)	59,839	117,831	-
(10)	Total revenues	(125,534)	(125,441)	129,263	94,113	(27,599)
(11)						
(12)	EXPENSES:					
(13)	Fuel	(142)	34,530	3,016	-	37,404
(14)	Purchased Power	(49,116)	(112,937)	-	79,679 (b)	(82,374)
(15)	Purchased Gas	-	(27,603)	-	-	(27,603)
(16)	Other operating expenses	(76,111)	(20,540)	84,155	6,571 (a)(b)	(5,925)
(17)	FE Facilities	-	(4,999)	-	-	(4,999)
(18)	MYR	-	(21,500)	-	-	(21,500)
(19)	International	-	-	39,977	-	39,977
(20)	Mark-to-Market Adjustment	-	(7,411)	4,905	-	(2,506)
(21)	Provision for depreciation and amortization	(49,482)	1,141	2,077	-	(46,264)
(22)	General taxes	11,332	3,066	379	-	14,777
(23)	Total expenses	(163,519)	(156,253)	134,509	86,250	(99,013)
(24)	INCOME BEFORE INTEREST					
(25)	AND INCOME TAXES	37,985	30,812	(5,246)	7,863	71,414
(26)	Net interest charges:					-
(27)	Interest expense	(27,951)	(5,898)	39,120	7,863 (b)	13,134
(28)	Capitalized interest	(1,124)	8,152	(1,174)	-	5,854
(29)	Subsidiaries' preferred stock dividends	447	-	-	-	447
(30)	Net interest charges	(28,628)	2,254	37,946	7,863	19,435
(31)	Income taxes	33,299	11,992	(22,806)	-	22,485
(32)	Income before cumulative effect of a					
(33)	change in accounting	33,314	16,566	(20,386)	-	29,494
(34)	Cumulative effect of a change in accounting	-	-	-	-	-
(35)	NET INCOME	$ 33,314	$ 16,566	$ (20,386)	$ -	$ 29,494

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 June 30, 2002	2001	Change	Six Months Ended June 30, 2002	2001	Change
	(In Millions)			(In Millions)		
ELECTRIC GENERATION SALES (KWHs):						
Retail -						
Regulated	21,727	21,731	0.0%	43,399	45,842	-5.3%
Unregulated	2,049	1,783	14.9%	3,452	3,236	6.7%
Total Retail	23,776	23,514	1.1%	46,851	49,078	-4.5%
Wholesale	5,663	5,878	-3.7%	11,235	10,338	8.7%
Total Electric Generation Sales	29,439	29,392	0.2%	58,086	59,416	-2.2%
ELECTRIC DISTRIBUTION DELIVERIES (KWHs):						
Residential	7,685	7,246	6.1%	16,458	16,615	-0.9%
Commercial and Industrial	17,553	17,554	0.0%	33,588	35,140	-4.4%
Other	133	131	1.5%	271	261	3.8%
Total Distribution Deliveries	25,371	24,931	1.8%	50,317	52,016	-3.3%
ELECTRIC SALES SHOPPED (KWHs):						
Residential	1,113	220	405.9%	2,274	344	561.0%
Commercial and Industrial	1,923	1,420	35.4%	3,602	1,665	116.3%
Total Electric Sales Shopped	3,036	1,640	85.1%	5,876	2,009	192.5%

	At June 30, 2002	% Total	Pro Forma 2001	% Total
Capitalization (in thousands):				
Total common equity	$ 7,566,553	31%	$ 7,336,240	27%
Preferred stock *	1,104,225	4%	1,269,428	4%
Long-term debt *	13,143,966	55%	15,440,567	58%
Short-term debt *	655,409	3%	1,162,259	4%
Off-balance sheet debt equivalents:				
- Sale-leaseback arrangements	1,467,254	6%	1,481,445	6%
-Accounts receivable factoring	160,000	1%	200,000	1%
Total Capitalization	$ 24,097,407	100%	$ 26,889,939	100%

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

Common Stock Data (A)	At June 30, 2002	2001
Stock Price During the Quarter:		
High	$35.12	$32.20
Low	$31.61	$26.80
Close	$33.38	$32.16
Dividends Declared per Share (Quarter)	$0.375	$0.375
Annualized Dividend Yield	4.5%	4.7%
Price/Earnings Ratio (12 mos ending)	11.8	12.5
Dividend Payout Ratio (12 mos ending)	53%	58%
Cash Coverage of Dividend	4.4	4.5
Return on Average Common Equity (12 mos ending)	12%	12%
Book Value Per Share	$25.81	$21.49
Annualized Dividend/Book Value	5.8%	7.0%

Notes: (A) Includes results for former GPU, Inc. companies from November 7, 2001 acquisition date.

	Three Months Ended June 30, 2002	Pro Forma 2001	Change	Six Months Ended June 30, 2002	Pro Forma 2001	Change
		(in thousands)			(in thousands)	
Financial Statistics (in thousands):						
L-T Debt and Preferred Stock Redemptions	$ 321,763	$ 604,539	$ (282,776)	$ 489,292	$ 654,321	$ (165,029)
Short-term Debt Increase (Decrease)	$ (217,684)	$ 859,344	$ (1,077,028)	$ (102,128)	$ 1,053,701	$ (1,155,829)
Capital Investments	$ 195,295	$ 263,584	$ (68,289)	$ 360,233	$ 532,082	$ (171,849)

One-Time Items: 2002 vs 2001	Three Months Ended June 30, 2002	2001	Change	Six Months Ended June 30, 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	$0.00	$0.00	$0.00	$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 June 30,			Six Months Ended June 30,		
	2002	2001	Change	2002	2001	Change
NATURAL GAS SALES (Decatherms):	(in thousands)			(in thousands)		
Retail	21,470	19,626	9.4%	59,736	56,314	6.1%
Wholesale	19,240	12,130	58.6%	31,540	21,843	44.4%
Total Natural Gas Sales	40,710	31,756	28.2%	91,276	78,157	16.8%

	Three Months Ended June 30,			Six Months Ended June 30,		
	2002	2001	Change	2002	2001	Change
Ohio Transition Plan Accelerations	(in thousands)			(in thousands)		
Depreciation and Amortization	$ 57,692	$ 57,448	$ 244	$ 119,487	$ 118,912	$ 575
Income Tax Amortization	8,129	7,955	174	16,360	16,393	(33)
Total-Accelerations	$ 65,821	$ 65,403	$ 418	$ 135,847	$ 135,305	$ 542
Regulatory Deferrals						
Ohio Transition Plan						
Beginning Balance	$ 118,901	$ 3,104		$ 75,406	$ -	
Deferral of Shopping Incentives	31,779	11,309	$ 20,470	62,815	14,413	$ 48,402
Deferral of New Regulatory Assets	10,187	6,398	3,789	22,646	6,398	16,248
Current period deferrals	41,966	17,707	$ 24,259	85,461	20,811	$ 64,650
Ending Balance-Ohio Deferrals	$ 160,867	$ 20,811		$ 160,867	$ 20,811	
Deferred Energy Costs						
Pennsylvania						
Beginning Balance	$ 199,400	$ -		$ 218,531	$ -	
Deferral (recovery) of energy costs	7,687	42,514	$ (34,827)	(11,444)	42,514	$ (53,958)
Ending Balance	$ 207,087	$ 42,514		$ 207,087	$ 42,514	
New Jersey						
Beginning Balance	$ 319,855	$ 253,037		$ 301,204	$ 199,224	
Deferral of energy costs	94,003	120,482	$ (26,479)	112,654	174,295	$ (61,641)
Ending Balance	$ 413,858	$ 373,519		$ 413,858	$ 373,519	
Mark-to-Market Adjustment						
Revenues	$ -	$ -	$ -	$ -	$ 11,016	$ (11,016)
Expenses	6,956	9,462	(2,506)	5,817	18,924	(13,107)
Pre-Tax Income Effect	$ (6,956)	$ (9,462)	$ 2,506	$ (5,817)	$ (7,908)	$ 2,091
EPS Effect	($0.01)	($0.02)	$0.01	($0.01)	($0.02)	$0.01

	At June 30,	
Operating Statistics (12 mos. Ending)	2002	2001
System Load Factor	59.5%	65.8%
Capacity Factors:		
Fossil	55.7%	55.6%
Nuclear	82.9%	89.6%
Generation Output:		
Fossil	61%	57%
Nuclear	39%	43%
Weather		
Composite Heating Days Year-to-Date (Normal - 3,580)	3,249	3,565
Composite Cooling Days Year-to-Date (Normal - 226)	264	230

RECENT DEVELOPMENTS

Sale of the Lake Plants to NRG Energy

On July 2, the Federal Energy Regulatory Commission (FERC) issued an Order, which granted conditional approval for the sale of the lake plants to NRG Energy. The Order conditioned that NRG assume FirstEnergy's obligation under a 1997 merger settlement agreement with the City of Cleveland, which would protect the City's transmission access in the event of a plant shutdown. On July 16, following FirstEnergy's request, FERC issued an Order clarifying that FirstEnergy has the substantive responsibility to protect the City of Cleveland from any harm, while NRG's responsibility was limited to providing notice in the event of a plant shutdown. Subsequently, FirstEnergy and Cleveland Public Power, the City's municipal electric system, notified NRG that their existing notice responsibility under the interconnection agreement fully satisfies the notice requirement of the 1997 merger settlement agreement.

Davis-Besse Nuclear Power Station Extended Outage

On April 30, the Nuclear Regulatory Commission (NRC) applied its Inspection Manual Chapter 0350 (IMC 0350) to the restart of Davis-Besse. IMC 0350 is a formal process the NRC uses for the restart of nuclear plants that have experienced a significant event and have a regulatory hold in effect. Its purpose is to establish criteria for NRC oversight of the licensee's performance and to establish a record of the major regulatory and licensee actions taken, and technical issues resolved, leading to the NRC's approval of restart of the plant.

On May 23, FirstEnergy purchased an unused replacement reactor vessel head from Consumers Energy's Midland Nuclear Plant. FirstEnergy expects to complete refurbishment and installation of the replacement reactor head as well as any other work related to restarting the plant in the fourth quarter of this year, however, the NRC must authorize restart of the plant.

The estimated costs associated with the extended outage:

- $55 - $75 million of mostly capital expenditures to replace the reactor vessel head
- $50 - $70 million of mostly O&M expenditures for additional maintenance projects including the acceleration of various programs
- $20 million per month for replacement power in the summer months of July and August
- $10 - $15 million per month for replacement power for non-summer months

Sale of Avon Energy Partners Holdings to Aquila

On May 8, FirstEnergy completed the sale of a 79.9 percent interest in its Avon Energy Partners Holdings to Aquila for approximately $264 million. As a result of this transaction, Avon's debt of approximately $1.7 billion, which is non-recourse to FirstEnergy, was deconsolidated on FirstEnergy's balance sheet. Aquila and FirstEnergy together own all of the outstanding shares of Avon Energy Partners Holdings through a jointly owned subsidiary, with each company having a 50-percent voting interest.

Securitization of Transition Costs

As part of the New Jersey restructuring process, Jersey Central Power and Light issued $320 million of transition bonds, on June 12, which securitizes recovery of approved stranded costs associated with Oyster Creek. Net proceeds from the issuance will be used to retire outstanding debt and preferred stock.