

Consolidated Report to the Financial Community

Fourth Quarter 2003 Highlights (Released February 19, 2004)

- Non-GAAP earnings for the fourth quarter, before discontinued operations and unusual charges, were \$0.30 per share. Excluding costs associated with the Davis-Besse extended outage, normalized non-GAAP earnings were \$0.42 per share, compared with restated fourth quarter 2002 normalized non-GAAP earnings of \$0.65 per share. GAAP earnings for the fourth quarter of 2003 were \$0.33 per share compared with the restated GAAP loss of \$0.20 per share in the same quarter of 2002. Fourth quarter 2002 results were restated to reflect the changes in the amortization of transition costs and above-market lease costs for the Ohio distribution companies, a reclassification of certain international operations as discontinued operations, and other year-end audit adjustments.

<u>After Tax EPS Variance Analysis</u>	<u>4th Qtr.</u>
4th Quarter 2002 Basic EPS - GAAP Basis (Restated)	\$ (0.20)
Discontinued Operations - 2002	0.29
Lake Plant Depreciation Adjustment - 2002	0.12
Unusual Charges - 2002 (See Page 6)	0.25
4th Quarter 2002 Basic EPS - Non-GAAP Basis	\$ 0.46
Davis-Besse Incremental Expenses - 2002	0.19
4th Quarter 2002 Normalized Earnings - Non-GAAP	\$ 0.65
Common Stock Dilution	(0.07)
JCP&L Rate Reduction	(0.10)
Electric Gross Margin (Excl. Davis-Besse)	(0.05)
Generation Operating Expenses	(0.05)
Energy Delivery	(0.06)
Pension and OPEB	(0.09)
Employee Benefits	0.05
Incentive Compensation Adjustment - 2003	0.09
Financing Costs	0.03
Other	0.02
4th Quarter 2003 Normalized Earnings - Non-GAAP	\$ 0.42
Davis-Besse Incremental Expenses - 2003	(0.12)
Subtotal - Non-GAAP	\$ 0.30
Discontinued Operations - 2003	(0.11)
Unusual Items - 2003 (See Page 6)	0.14
4th Quarter 2003 Basic EPS - GAAP Basis	\$ 0.33

4Q 2003 Results Compared With 4Q 2002

- Electric distribution deliveries decreased 2%. Residential deliveries decreased 5% reflecting milder weather, while a 1% decrease in commercial deliveries was offset by a 1% increase in industrial deliveries. Heating degree-days during the quarter were 6% below normal and 13% lower than same period last year. Total electric generation sales decreased 7% due to a 13% reduction in wholesale sales and a 5% decline in retail generation sales. The retail sales decline was attributable to increased customer shopping levels.
- Electric gross margin decreased \$26 million after adjusting for changes in regulatory deferrals, JCP&L's rate reduction, and Davis-Besse replacement power costs. The reduction in electric gross margin resulted from lower wholesale generation sales and electric distribution deliveries.
- Generation operating expenses, excluding incremental expenses associated with the Davis-Besse outage, increased \$30 million. Fossil operating expenses increased \$24 million due to planned maintenance outages at the Mansfield 3, Bay Shore 4, and Eastlake 5 coal plants. Nuclear operating expenses increased \$6 million due to the refueling outage at Beaver Valley Unit 2.
- Energy delivery expenses increased \$35 million as a result of accelerated reliability improvement spending, increased tree trimming activities, and storm-related restoration expenses.

- Pension and other post-employment benefit costs increased approximately \$50 million, continuing to reflect reduced plan asset values as of the beginning of 2003, reduced return assumptions on trust assets, and lower discount rates used to value projected obligations compared to assumptions used in 2002.
- Employee benefit costs decreased by approximately \$26 million reflecting a greater cost sharing with employees for benefit costs as well as fewer employees.
- A&G expenses were reduced by \$51 million in the fourth quarter because short-term incentive compensation payment triggers were not met in 2003.
- Net interest charges decreased \$12 million as a result of our ongoing debt reduction program and refinancing activities. Financing activities during the quarter included \$15 million in mandatory long-term debt redemptions, \$300 million in optional debt redemptions, \$335 million of refinancing and repricing transactions, and \$150 million in new debt issuance. These activities and other financing transactions are expected to produce annualized financing cost savings of \$49 million. Increased shares outstanding from the issuance of common stock in the third quarter diluted normalized non-GAAP earnings by \$0.07 per share.
- In the fourth quarter of 2003, we recorded as discontinued operations, an after-tax non-cash charge of \$36 million to recognize the divestiture of our international generating assets in Bolivia and a loss on the sale of a mechanical contracting company. We also recorded \$0.14 per share of unusual items to reflect the gain from the NRG Energy settlement claim, partially offset by asset impairments, an environmental liability, and an additional disallowance from the JCP&L rate case decision.

4Q 2003 Earnings Impact Associated with Davis-Besse

- Incremental expenses associated with the extended outage at Davis-Besse during the quarter totaled \$65 million, or \$0.12 per share (\$48 million of replacement power costs and \$17 million of O&M expenses). For the year, incremental expenses totaled \$288 million, or \$0.56 per share (\$196 million of replacement power costs and \$92 million of O&M expenses).

2004 Earnings Guidance

- Earnings guidance for 2004 remains at \$2.70 to \$2.85 per share, excluding incremental expenses associated with the Davis-Besse restart effort and unusual charges. Our estimate for the quarterly pattern of our 2004 earnings guidance follows:
 - 20% in the 1st Quarter - 35% in the 3rd Quarter
 - 25% in the 2nd Quarter - 20% in the 4th Quarter

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FIRSTENERGY CORP. CONSOLIDATED INCOME STATEMENTS (thousands):	Three Months Ended			Twelve Months Ended		
	December 31,			December 31,		
	2003	2002	Change	2003	2002	Change
(1) REVENUES:						
(2) Electric Sales	\$ 2,263,079	\$ 2,426,203	\$ (163,124)	\$ 10,266,899	\$ 9,697,484	\$ 569,415
(3) Natural Gas	137,550	147,534	(9,984)	624,315	613,256	11,059
(4) FE Facilities	84,626	86,686	(2,060)	327,095	383,043	(55,948)
(5) MYR	105,506	114,688	(9,182)	438,710	521,195	(82,485)
(6) International	3,651	15,872	(12,221)	25,482	293,857	(268,375)
(7) Other	204,380	184,988	19,392	624,546	538,513	86,033
(8) Total revenues	<u>2,798,792</u>	<u>2,975,971</u>	<u>(177,179)</u>	<u>12,307,047</u>	<u>12,047,348</u>	<u>259,699</u>
(9)						
(10) EXPENSES:						
(11) Fuel	212,308	180,803	31,505	757,952	749,874	8,078
(12) Purchased Power	712,615	792,318	(79,703)	3,809,907	2,920,970	888,937
(13) Purchased Gas	133,211	142,333	(9,122)	586,799	587,860	(1,061)
(14) Other operating expenses	750,981	805,518	(54,537)	2,852,221	2,704,988	147,233
(15) FE Facilities	84,215	86,592	(2,377)	319,721	373,752	(54,031)
(16) MYR	113,962	113,630	332	444,087	511,988	(67,901)
(17) International	11,151	42,958	(31,807)	30,099	164,528	(134,429)
(18) Mark-to-Market Adjustment	4,997	(9,988)	14,985	(2,553)	(29,669)	27,116
(19) Provision for depreciation and amortization	319,547	383,774	(64,227)	1,281,690	1,298,290	(16,600)
(20) Goodwill Impairment	-	-	-	116,988	-	116,988
(21) General taxes	120,014	156,291	(36,277)	638,465	649,898	(11,433)
(22) Total expenses	<u>2,463,001</u>	<u>2,694,229</u>	<u>(231,228)</u>	<u>10,835,376</u>	<u>9,932,479</u>	<u>902,897</u>
(23) Claim Settlement	167,937	-	167,937	167,937	-	167,937
(24) INCOME BEFORE INTEREST AND INCOME TAXES	<u>503,728</u>	<u>281,742</u>	<u>221,986</u>	<u>1,639,608</u>	<u>2,114,869</u>	<u>(475,261)</u>
(26) Net interest charges:						
(27) Interest expense	202,539	205,014	(2,475)	801,184	906,970	(105,786)
(28) Capitalized interest	(8,613)	(5,752)	(2,861)	(31,900)	(24,474)	(7,426)
(29) Subsidiaries' preferred stock dividends	5,946	12,248	(6,302)	42,369	75,647	(33,278)
(30) Net interest charges	<u>199,872</u>	<u>211,510</u>	<u>(11,638)</u>	<u>811,653</u>	<u>958,143</u>	<u>(146,490)</u>
(31) Income taxes	158,267	43,534	114,733	405,959	524,059	(118,100)
(32) Income before discontinued operations and accounting change	145,589	26,698	118,891	421,996	632,667	(210,671)
(34) Discontinued Operations	(36,157)	(84,905)	48,748	(101,379)	(79,863)	(21,516)
(35) Cumulative effect of accounting change	-	-	-	102,147	-	102,147
(36) NET INCOME	<u>\$ 109,432</u>	<u>\$ (58,207)</u>	<u>\$ 167,639</u>	<u>\$ 422,764</u>	<u>\$ 552,804</u>	<u>\$ (130,040)</u>
(37)						
(38) Basic earnings per common share:						
(39) Before discontinued operations and accounting change	\$ 0.44	\$ 0.09	\$ 0.35	\$ 1.39	\$ 2.16	\$ (0.77)
(41) Discontinued operations	(0.11)	(0.29)	0.18	(0.33)	(0.27)	(0.06)
(42) Cumulative effect of accounting change	-	-	-	0.33	-	0.33
(43)	<u>\$ 0.33</u>	<u>\$ (0.20)</u>	<u>\$ 0.53</u>	<u>\$ 1.39</u>	<u>\$ 1.89</u>	<u>\$ (0.50)</u>
(44) Weighted average number of basic shares outstanding	<u>326,856</u>	<u>293,577</u>	<u>33,279</u>	<u>303,582</u>	<u>293,194</u>	<u>10,388</u>
(46)						
(47) Diluted earnings per common share:						
(48) Before discontinued operations and accounting change	\$ 0.44	\$ 0.09	\$ 0.35	\$ 1.39	\$ 2.15	\$ (0.76)
(50) Discontinued operations	(0.11)	(0.29)	0.18	(0.33)	(0.27)	(0.06)
(51) Cumulative effect of accounting change	-	-	-	0.33	-	0.33
(52)	<u>\$ 0.33</u>	<u>\$ (0.20)</u>	<u>\$ 0.53</u>	<u>\$ 1.39</u>	<u>\$ 1.88</u>	<u>\$ (0.49)</u>
(53) Weighted average number of diluted shares outstanding	<u>328,425</u>	<u>294,277</u>	<u>34,148</u>	<u>304,972</u>	<u>294,421</u>	<u>10,551</u>

FirstEnergy Consolidated Income Segments
Three Months Ended December 31, 2003

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ 1,879,443	\$ 383,636	\$ -	\$ -	\$ 2,263,079
(3) Natural Gas	-	137,550	-	-	137,550
(4) FE Facilities	-	84,626	-	-	84,626
(5) MYR	-	105,506	-	-	105,506
(6) International	-	-	3,651	-	3,651
(7) Other	142,758	26,164	13,711	21,747 (a)	204,380
(8) Internal revenues	297,604	518,890	140,779	(957,273) (b)	-
(9) Total revenues	<u>2,319,805</u>	<u>1,256,372</u>	<u>158,141</u>	<u>(935,526)</u>	<u>2,798,792</u>
(10)					
(11) EXPENSES:					
(12) Fuel	-	209,217	3,091	-	212,308
(13) Purchased Power	877,864	353,641	-	(518,890) (b)	712,615
(14) Purchased Gas	-	133,211	-	-	133,211
(15) Other operating expenses	623,709	366,777	159,878	(399,383) (a)(b)	750,981
(16) FE Facilities	-	84,215	-	-	84,215
(17) MYR	-	113,962	-	-	113,962
(18) International	-	-	11,151	-	11,151
(19) Mark-to-Market Adjustment	-	5,038	(41)	-	4,997
(20) Provision for depreciation and amort	300,245	8,174	11,128	-	319,547
(21) Goodwill Impairment	-	-	-	-	-
(22) General taxes	107,691	10,147	2,415	(239)	120,014
(23) Total expenses	<u>1,909,509</u>	<u>1,284,382</u>	<u>187,622</u>	<u>(918,512)</u>	<u>2,463,001</u>
(24) Claim Settlement	167,937	-	-	-	167,937
(25) INCOME BEFORE INTEREST AND INCOME TAXES	<u>578,233</u>	<u>(28,010)</u>	<u>(29,481)</u>	<u>(17,014)</u>	<u>503,728</u>
(27) Net interest charges:					
(28) Interest expense	125,928	11,591	82,034	(17,014) (b)	202,539
(29) Capitalized interest	(6,814)	(1,568)	(231)	-	(8,613)
(30) Subsidiaries' preferred stock dividends	5,946	-	-	-	5,946
(31) Net interest charges	<u>125,060</u>	<u>10,023</u>	<u>81,803</u>	<u>(17,014)</u>	<u>199,872</u>
(32) Income taxes	207,602	(7,732)	(41,603)	-	158,267
(33) Income before discontinued operations and an accounting change	245,571	(30,301)	(69,681)	-	145,589
(35) Discontinued operations	-	(2,530)	(33,627)	-	(36,157)
(36) Cumulative effect of an accounting change	-	-	-	-	-
(37) NET INCOME	<u>\$ 245,571</u>	<u>\$ (32,831)</u>	<u>\$ (103,308)</u>	<u>\$ -</u>	<u>\$ 109,432</u>

Three Months Ended December 31, 2002

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ 2,083,639	\$ 342,564	\$ -	\$ -	\$ 2,426,203
(3) Natural Gas	-	147,534	-	-	147,534
(4) FE Facilities	-	86,686	-	-	86,686
(5) MYR	-	114,688	-	-	114,688
(6) International	-	-	15,872	-	15,872
(7) Other	106,134	13,593	65,845	(584) (a)	184,988
(8) Internal revenues	259,097	555,998	119,342	(934,437) (b)	-
(9) Total revenues	<u>2,448,870</u>	<u>1,261,063</u>	<u>201,059</u>	<u>(935,021)</u>	<u>2,975,971</u>
(10)					
(11) EXPENSES:					
(12) Fuel	1,360	179,443	-	-	180,803
(13) Purchased Power	988,959	359,357	-	(555,998) (b)	792,318
(14) Purchased Gas	-	142,333	-	-	142,333
(15) Other operating expenses	614,218	442,324	113,713	(364,737) (a)(b)	805,518
(16) FE Facilities	-	86,592	-	-	86,592
(17) MYR	-	113,630	-	-	113,630
(18) International	-	-	42,958	-	42,958
(19) Mark-to-Market Adjustment	-	(9,320)	(668)	-	(9,988)
(20) Provision for depreciation and amort	367,657	8,235	7,882	-	383,774
(21) Goodwill Impairment	-	-	-	-	-
(22) General taxes	147,965	5,733	2,593	-	156,291
(23) Total expenses	<u>2,120,159</u>	<u>1,328,327</u>	<u>166,478</u>	<u>(920,735)</u>	<u>2,694,229</u>
(24) Claim Settlement	-	-	-	-	-
(25) INCOME BEFORE INTEREST AND INCOME TAXES	<u>328,711</u>	<u>(67,264)</u>	<u>34,581</u>	<u>(14,286)</u>	<u>281,742</u>
(27) Net interest charges:					
(28) Interest expense	121,608	12,714	84,978	(14,286) (b)	205,014
(29) Capitalized interest	(3,324)	(1,527)	(901)	-	(5,752)
(30) Subsidiaries' preferred stock dividends	12,248	-	-	-	12,248
(31) Net interest charges	<u>130,532</u>	<u>11,187</u>	<u>84,077</u>	<u>(14,286)</u>	<u>211,510</u>
(32) Income taxes	74,731	(35,384)	4,187	-	43,534
(33) Income before discontinued operations and an accounting change	123,448	(43,067)	(53,683)	-	26,698
(35) Discontinued operations	-	1,196	(86,101)	-	(84,905)
(36) Cumulative effect of a change in accounting	-	-	-	-	-
(37) NET INCOME	<u>\$ 123,448</u>	<u>\$ (41,871)</u>	<u>\$ (139,784)</u>	<u>\$ -</u>	<u>\$ (58,207)</u>

FirstEnergy Consolidated Income Segments

Three Months Ended December 31, 2003 VS 2002

(In thousands):	Regulated Services	Competitive Services	Other (c)	Reconciling Adjustments	Consolidated
(1) REVENUES:					
(2) Electric Sales	\$ (204,196)	\$ 41,072	\$ -	\$ -	\$ (163,124)
(3) Natural Gas	-	(9,984)	-	-	(9,984)
(4) FE Facilities	-	(2,060)	-	-	(2,060)
(5) MYR	-	(9,182)	-	-	(9,182)
(6) International	-	-	(12,221)	-	(12,221)
(7) Other	36,624	12,571	(52,134)	22,331 (a)	19,392
(8) Internal revenues	38,507	(37,108)	21,437	(22,836) (b)	-
(9) Total revenues	<u>(129,065)</u>	<u>(4,691)</u>	<u>(42,918)</u>	<u>(505)</u>	<u>(177,179)</u>
(10)					
(11) EXPENSES:					
(12) Fuel	(1,360)	29,774	3,091	-	31,505
(13) Purchased Power	(111,095)	(5,716)	-	37,108 (b)	(79,703)
(14) Purchased Gas	-	(9,122)	-	-	(9,122)
(15) Other operating expenses	9,491	(75,547)	46,165	(34,646) (a)(b)	(54,537)
(16) FE Facilities	-	(2,377)	-	-	(2,377)
(17) MYR	-	332	-	-	332
(18) International	-	-	(31,807)	-	(31,807)
(19) Mark-to-Market Adjustment	-	14,358	627	-	14,985
(20) Provision for depreciation and amortization	(67,412)	(61)	3,246	-	(64,227)
(21) Goodwill Impairment	-	-	-	-	-
(22) General taxes	(40,274)	4,414	(178)	(239)	(36,277)
(23) Total expenses	<u>(210,650)</u>	<u>(43,945)</u>	<u>21,144</u>	<u>2,223</u>	<u>(231,228)</u>
(24) NRG Settlement	167,937	-	-	-	167,937
(25) INCOME BEFORE INTEREST AND INCOME TAXES	<u>249,522</u>	<u>39,254</u>	<u>(64,062)</u>	<u>(2,728)</u>	<u>221,986</u>
(27) Net interest charges:					
(28) Interest expense	4,320	(1,123)	(2,944)	(2,728) (b)	(2,475)
(29) Capitalized interest	(3,490)	(41)	670	-	(2,861)
(30) Subsidiaries' preferred stock dividends	(6,302)	-	-	-	(6,302)
(31) Net interest charges	<u>(5,472)</u>	<u>(1,164)</u>	<u>(2,274)</u>	<u>(2,728)</u>	<u>(11,638)</u>
(32) Income taxes	<u>132,871</u>	<u>27,652</u>	<u>(45,790)</u>	<u>-</u>	<u>114,733</u>
(33) Income before discontinued operations and an accounting change	122,123	12,766	(15,998)	-	118,891
(35) Discontinued operations	-	(3,726)	52,474	-	48,748
(36) Cumulative effect of a change in accounting	-	-	-	-	-
(37) NET INCOME	<u>\$ 122,123</u>	<u>\$ 9,040</u>	<u>\$ 36,476</u>	<u>\$ -</u>	<u>\$ 167,639</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 December 31,			Twelve Months Ended December 31,		
	2003	2002	Change	2003	2002	Change
	(In Millions)			(In Millions)		
ELECTRIC GENERATION SALES (KWHs):						
Retail -						
Regulated	19,232	21,131	-9.0%	82,407	88,786	-7.2%
Unregulated	3,629	2,914	24.5%	14,230	9,300	53.0%
Total Retail	22,861	24,045	-4.9%	96,637	98,086	-1.5%
Wholesale	9,677	11,087	-12.7%	42,062	30,007	40.2%
Total Electric Generation Sales	32,538	35,132	-7.4%	138,699	128,093	8.3%
ELECTRIC DISTRIBUTION DELIVERIES (KWHs):						
Residential	8,346	8,744	-4.6%	35,708	35,943	-0.7%
Commercial	7,897	7,972	-0.9%	32,962	32,573	1.2%
Industrial	8,930	8,885	0.5%	36,159	36,309	-0.4%
Other	140	139	0.7%	564	536	5.2%
Total Distribution Deliveries	25,313	25,740	-1.7%	105,393	105,361	0.0%
ELECTRIC SALES SHOPPED (KWHs):						
Residential	1,712	1,281	33.6%	6,831	5,443	25.5%
Commercial	2,104	1,454	44.7%	7,558	4,079	85.3%
Industrial	2,265	1,875	20.8%	8,597	7,053	21.9%
Total Electric Sales Shopped	6,081	4,610	31.9%	22,986	16,575	38.7%

At December 31,				
	2003	% Total	2002	% Total
Capitalization (in thousands):				
Total common equity	\$ 8,294,199	37%	\$ 7,050,661	30%
Preferred stock *	335,123	2%	765,261	3%
Long-term debt - mandatory preferred	18,514	0%	-	0%
Long-term debt - all other*	11,524,748	52%	12,573,288	55%
Short-term debt *	521,540	2%	1,092,817	5%
Off-balance sheet debt equivalents:				
- Sale-leaseback arrangements	1,414,541	6%	1,472,906	6%
-Accounts receivable factoring	200,000	1%	170,000	1%
Total Capitalization	\$ 22,308,665	100%	\$ 23,124,933	100%

* Includes amounts due to be paid within one year, JCP&L securitization of \$296 million and \$320 million in 2003 and 2002, respectively, and reflects the deconsolidation of Los Amigos debt.

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2003	2002	Change	2003	2002	Change
	(in thousands)			(in thousands)		
Financial Statistics (in thousands):						
L-T Debt and Preferred Stock Redempt	\$ 759,529	\$ 76,970	\$ 682,559	\$ 2,433,071	\$ 1,831,037	\$ 602,034
Short-term Debt Increase (Decrease)	\$ 280,127	\$ (60,751)	\$ 340,878	\$ (566,607)	\$ 478,520	\$ (1,045,127)
Capital Investments	\$ 274,201	\$ 303,109	\$ (28,908)	\$ 854,270	\$ 997,723	\$ (143,453)
Unusual Items: 2003 vs 2002						
	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2003	2002	Change	2003	2002	Change
Claim Settlement	\$ 167,937	-	\$ 167,937	\$ 167,937	-	\$ 167,937
Goodwill Impairment *	-	-	-	(116,988)	-	(116,988)
JCP&L Rate Case Disallowance	(13,635)	-	(13,635)	(185,241)	-	(185,241)
Avon Investment Impairment	(5,287)	(50,000)	44,713	(5,287)	(50,000)	44,713
Environmental Liability	(14,500)	-	(14,500)	(14,500)	-	(14,500)
TEBSA Investment Impairment	(25,953)	-	(25,953)	(25,953)	-	(25,953)
Pantellos Investment Impairment	(5,934)	-	(5,934)	(5,934)	-	(5,934)
Note Receivable Impairment	-	-	-	(12,563)	-	(12,563)
Loss on sale of gas operations unit	-	-	-	(6,200)	-	(6,200)
Lake Plant Transaction Fees	-	(17,226)	17,226	-	(17,226)	17,226
Claims Settlement Reserve	-	(16,800)	16,800	-	(16,800)	16,800
Environmental Investment Impairment	-	(7,649)	7,649	-	(7,649)	7,649
SSA1 Severance Costs - 2002	-	-	-	-	(11,325)	11,325
Long-term Derivative Contract Adjustme	-	-	-	-	(18,091)	18,091
Equity Investment - Bankruptcy	-	-	-	-	(30,371)	30,371
Telecommunications Investment Writedo	-	-	-	-	(12,610)	12,610
Generation Project Cancellation	-	-	-	-	(17,102)	17,102
Total - Pre-tax Amounts	\$ 102,628	\$ (91,675)	\$ 194,303	\$ (204,729)	\$ (181,174)	\$ (23,555)
EPS Effect	\$0.14	(\$0.25)	\$0.39	(\$0.47)	(\$0.43)	(\$0.04)

* Excluding \$4.5 million included in Discontinued Operations.

FirstEnergy Statistical Summary

	Three Months Ended			Twelve Months Ended		
	December 31,			December 31,		
	2003	2002	Change	2003	2002	Change
NATURAL GAS SALES (Decatherms):	(in thousands)			(in thousands)		
Retail	15,206	23,571	-35.5%	71,156	98,882	-28.0%
Wholesale	9,365	7,938	18.0%	36,303	48,641	-25.4%
Total Natural Gas Sales	24,571	31,509	-22.0%	107,459	147,523	-27.2%

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2003	2002	Change	2003	2002	Change
	(in thousands)			(in thousands)		
Regulatory Asset Amortization						
Depreciation and Amortization	\$ 226,276	\$ 187,538	\$ 38,738	\$ 910,349	\$ 785,433	\$ 124,916
Income Tax Amortization	15,115	15,190	(75)	62,129	56,891	5,238
Total	\$ 241,391	\$ 202,728	\$ 38,663	\$ 972,478	\$ 842,324	\$ 130,154
Regulatory Deferrals						
Ohio Transition Plan						
Beginning Balance	\$ 409,746	\$ 221,282		\$ 259,353	\$ 75,406	
Deferral of Shopping Incentives	43,321	28,131	\$ 15,190	184,106	137,213	\$ 46,893
Deferral of New Regulatory Assets	3,424	9,940	(6,516)	13,032	46,734	(33,702)
Current period deferrals	46,745	38,071	\$ 8,674	197,138	183,947	\$ 13,191
Ending Balance-Ohio Deferrals	\$ 456,491	\$ 259,353		\$ 456,491	\$ 259,353	
Deferred Energy Costs						
New Jersey						
Beginning Balance	\$ 444,117	\$ 481,635		\$ 548,641	\$ 301,204	
Deferral (recovery) of energy costs	(3,217)	67,006	\$ (70,223)	57,844	247,437	\$ (189,593)
Rate case disallowance	-	-	-	(165,585)	-	(165,585)
Current period charge	(3,217)	67,006	\$ (70,223)	(107,741)	247,437	\$ (355,178)
Ending Balance	\$ 440,900	\$ 548,641		\$ 440,900	\$ 548,641	
Mark-to-Market Adjustment						
Expenses - Pre-Tax Income Effect:						
Increase (Decrease)	\$ 4,997	\$ (9,988)	\$ 14,985	\$ (2,553)	\$ (29,668)	\$ 27,115
EPS Effect	(\$0.01)	\$0.02	(\$0.03)	(\$0.01)	\$0.06	(\$0.07)

	At December 31,	
	2003	2002
Operating Statistics (12 mos. Ending)		
System Load Factor	64.7%	60.5%
Capacity Factors:		
Fossil	58.3%	60.2%
Nuclear	64.1%	74.2%
Generation Output:		
Fossil	68%	66%
Nuclear	32%	34%
Weather		
Composite Heating Days Year-to-Date (Normal - 5552)	5,748	5,348
Composite Cooling Days Year-to-Date (Normal - 886)	810	1,119

Chairman and Chief Executive Officer Appointments

On January 20, FirstEnergy's Board of Directors elected Anthony J. Alexander as president and CEO. Mr. Alexander, who previously served as president and chief operating officer, succeeded H. Peter Burg who passed away on January 13, 2004, as CEO. The Board also elected George M. Smart as chairman of the Board and indicated that a search would begin immediately for a chief operating officer. Mr. Smart, who has served on FirstEnergy's Board since 1997, will not hold an executive position with the company.

Davis-Besse Update

On February 12, the Nuclear Regulatory Commission (NRC) held a public meeting to report their inspection findings on the plant's safety conscious work environment and restart readiness. Also on February 12, the NRC held a second public meeting during which the company requested the NRC's permission to restart the plant.

Ohio Rate Plan Proposal

On February 11, evidentiary hearings commenced before the Public Utilities Commission of Ohio (PUCO) on FirstEnergy's rate stabilization plan proposal for establishing generation rates beginning January 1, 2006 for its Ohio electric operating companies. We expect to receive an Order from the PUCO in early spring.

Rating Agency Actions

On December 23, 2003, Standard & Poor's downgraded FirstEnergy Corp.'s senior unsecured debt rating to "BB+", revised the company's business risk profile to 6 from 5, removed all ratings from Creditwatch and assigned a stable outlook.

On February 6, 2004, Moody's Investor's Service downgraded FirstEnergy Corp.'s senior unsecured rating from Baa2, negative outlook to Baa3, stable outlook. As part of this action, Moody's changed the senior secured ratings for JCP&L, Met-Ed and Penelec from A2 to Baa1 with a stable outlook. The existing senior secured ratings of the other operating companies were confirmed (OE and Penn Power: Baa1, CEI and TE: Baa2).

Non-Core Asset Sales

In February 2004, FirstEnergy announced the completion of the sales of its remaining international assets acquired as part of its November 2001 merger with the former GPU, Inc. and the sale of its NRG Energy, Inc. claim. The international sales included Avon Energy Partners Holdings and generation assets in Bolivia and Colombia. The company also announced completion of the sale of Ancoma, Inc., a mechanical contracting company based in Rochester, NY. The net gain from these transactions increased fourth quarter 2003 net income by \$32 million, or \$0.10 per common share.

Pennsylvania Public Utility Commission (PaPUC) Reliability Investigation

On January 16, the PaPUC initiated a formal investigation into Med-Ed, Penelec and Penn Power's distribution reliability metrics to determine whether actual performance is meeting the reliability standards established by the commission as part of the restructuring of electric generation in the state. The formal investigation will be assigned to a PaPUC administrative law judge (ALJ) for hearings and to collect evidence. A ruling by the ALJ is expected by September 30, 2004, to support a final Commission order expected by December 16, 2004.

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 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, availability and cost of capital, inability of the Davis-Besse Nuclear Power Station to restart (including because of any inability to obtain a favorable final determination from the Nuclear Regulatory Commission) in early 2004, 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 similar factors discussed from time to time in FirstEnergy's Securities and Exchange Commission filings, including its annual report on Form 10-K (as amended) for the year ended December 31, 2002, its Form 10-Q for the quarter ended September 30, 2003 and under "Risk Factors" in the Prospectus Supplement dated September 12, 2003 to the Prospectus dated August 29, 2003 (which was part of the Registration Statement-SEC File No. 333-103865) 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.