

Kentucky Power Company  
Balance Sheet  
As of March 31, 2015

| ASSETS  |                      |
|---|----------------------|
| Cash and Cash Equivalents                         | 835,404              |
| Accounts Receivable                               | 41,258,954           |
| Fuel, Materials and Supplies                      | 58,171,279           |
| Risk Management Contracts - Current               | 2,988,973            |
| Margin Deposits                                   | 2,030,087            |
| Unrecovered Fuel - Current                        | 4,222,126            |
| Prepayments and Other Current Assets              | 2,068,924            |
| <b>TOTAL CURRENT ASSETS</b>                       | <b>111,575,747</b>   |
| Electric Production                               | 1,166,326,854        |
| Electric Transmission                             | 557,833,616          |
| Electric Distribution                             | 735,284,106          |
| General Property, Plant and Equipment             | 519,681,783          |
| Construction Work-in-Progress                     | 45,358,232           |
| <b>TOTAL PROPERTY, PLANT and EQUIPMENT</b>        | <b>3,024,484,590</b> |
| Less: Accumulated Depreciation and Amortization   | (1,052,114,226)      |
| <b>NET PROPERTY, PLANT and EQUIPMENT</b>          | <b>1,972,370,365</b> |
| Net Regulatory Assets                             | 241,792,250          |
| Long-Term Risk Management Assets                  | 854,464              |
| Employee Benefits and Pension Assets              | 13,243,731           |
| Other Non Current Assets                          | 16,674,086           |
| <b>TOTAL OTHER NON-CURRENT ASSETS</b>             | <b>272,564,531</b>   |
| <b>TOTAL ASSETS</b>                               | <b>2,356,510,642</b> |
| LIABILITIES                                       |                      |
| Accounts Payable                                  | 70,124,465           |
| Advances from Affiliates                          | 740,367              |
| Long-Term Debt Due Within One Year Non-Affiliated | 65,000,000           |
| Risk Management Liabilities                       | 2,274,117            |
| Accrued Taxes                                     | 1,069,956            |
| Accrued Interest                                  | 6,141,532            |
| Deposits - Customer and Collateral                | 26,325,200           |
| Other Current Liabilities                         | 53,788,970           |
| <b>TOTAL CURRENT LIABILITIES</b>                  | <b>225,464,606</b>   |
| Long-Term Debt - Non Affiliated                   | 780,000,000          |
| Long-Term Debt - Premiums and Discounts Unamort   | -402,919             |
| Long-Term Risk Management Liabilities             | 417,922              |
| Deferred Income Taxes                             | 580,124,918          |
| Deferred Investment Tax Credits                   | 23,292               |
| Regulatory Liabilities and Deferred Credits       | 19,276,225           |
| Asset Retirement Obligation                       | 64,123,255           |
| Employee Benefits and Pension Obligations         | 12,224,543           |
| Other Non-Current Liabilities                     | 6,412,840            |
| <b>TOTAL NON-CURRENT LIABILITIES</b>              | <b>1,462,200,077</b> |
| <b>TOTAL LIABILITIES</b>                          | <b>1,687,664,683</b> |
| COMMON SHAREHOLDERS' EQUITY                       |                      |
| Common Stock                                      | 50,450,000           |
| Paid In Capital                                   | 517,459,453          |
| Retained Earnings                                 | 103,066,786          |
| Accumulated Other Comprehensive Income (Loss)     | (2,130,279)          |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 | <b>668,845,959</b>   |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>2,356,510,642</b> |