# **EXHIBIT 4**

### KENTUCKY UTILITIES COMPANY

## FINANCIAL EXHIBIT (807 KAR 5:001 SEC. 18(2)(a) and SEC. 12)

#### December 31, 2015

(1) Amount and kinds of stock authorized.

80,000,000 shares of Common Stock, without par value

5,300,000 shares of Cumulative Preferred Stock, without par value -- authorized, but unissued 2,000,000 shares of Preferred Stock, without par value -- authorized, but unissued

(2) Amount and kinds of stock issued and outstanding.

#### Common Stock:

37,817,878 shares issued and outstanding, without par value, recorded at \$307,818,689.

(3) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets otherwise.

None

(4) Brief description of each mortgage on property of applicant, giving date of execution name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of the indebtedness actually secured, together with any sinking fund provisions.

Date of Execution: Filing with Commission: On May 11, 2015, copies of the October 1, 2010 Indenture and the October 15, 2010, November 1, 2010 and November 1, 2013 Supplemental Indentures were filed with the Commission in Case No. 2015-00137. On February 22, 2015, a copy of the September 1, 2015 Supplemental Indenture was filed with the Commission in Case No. 2010-00206.

Mortgagor: Kentucky Utilities Company

Trustee: The Bank of New York Mellon

Amount of Authorized Debt: One quintillion dollars

Amount of Debt Secured: \$2,350,779,405

Sinking Fund Provisions: None

Pledged Assets: Substantially all assets of Kentucky Utilities located in Kentucky

(5) Amount of bonds authorized, and amount issued giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with an amount of interest paid thereon during the last 12-month period.

Secured by first mortgage lien on substantially all assets in Kentucky.

Kentucky Utilities Company

Date of <u>Issue</u>	Date of Maturity	Rate of Interest		Authorized	Outstanding at December 31, 2015		Interest Expense Year Ended December 31, 2015
Pollution Control Bonds							
05/19/00	05/01/23	Variable	\$	12,900,000	\$ 12,900,000	\$	5,006
05/23/02	02/01/32	Variable		20,930,000	20,930,000		65,487
05/23/02	02/01/32	Variable		2,400,000	2,400,000		7,055
05/23/02	02/01/32	Variable		7,400,000	7,400,000		21,918
05/23/02	02/01/32	Variable		7,400,000	2,400,000		7,109
10/03/02	10/01/32	Variable		96,000,000	96,000,000		235,248
10/20/04	10/01/34	Variable		50,000,000	50,000,000		12,724
02/23/07	10/01/34	Variable		54,000,000	54,000,000		19,063
05/24/07	02/01/26	5.75%		17,875,000	17,875,000		1,027,813
05/24/07	03/01/37	6.00%		8,927,000	8,927,000		535,620
10/17/08	02/01/32	Variable		77,947,405	77,947,405		26,649
Interest Rate Swaps							4,550
			\$	355,779,405	\$ 350,779,405	\$	1,968,242
First Mortgage Bonds							
11/16/10	11/01/15	1.625%	\$	250,000,000	\$	\$	3,385,417
11/16/10	11/01/20	3.250%	Ŷ	500,000,000	500,000,000	Ψ	16,250,000
09/28/15	10/01/25	3.300%		250,000,000	250,000,000		2,497,034
11/16/10	11/01/40	5.125%		750,000,000	750,000,000		38,437,500
11/14/13	11/15/43	4.650%		250,000,000	250,000,000		10,186,746
09/28/15	10/01/45	4.375%		250,000,000	250,000,000		3,082,166
				2,250,000,000	\$ 2,000,000,000	\$	73,838,862

(6) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest in whose favor, together with amount of interest paid thereon during the last 12-month period.

There are no notes outstanding as of December 31, 2015.<sup>1</sup>

(7) Other indebtedness, giving same by classes and describing security, if any with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

None, other than current and accrued liabilities.

(8) Rate and amount of dividends paid during the five previous fiscal years, and amount of capital stock on which dividends were paid.

Dividends on Common Stock, without par value (not based on rate per share)

2011	\$123,500,000
2012	\$99,500,000
2013	\$124,000,000
2014	\$148,000,000
2015	\$153,000,000

The amount of total proprietary capital on which dividends were paid as of Dec. 31st

2011	\$2,128,238,257
2012	\$2,176,783,084
2013	\$2,437,295,661
2014	\$2,599,430,441
2015	\$2,679,352,744

(9) Detailed Income Statement, Balance Sheet and Statement of Retained Earnings

Monthly Financial and Operating Reports are filed each month with the Kentucky Public Service Commission. Attached are detailed Statements of Income, Balance Sheets and Retained Earnings for the Company for the period ending December 31, 2015.

<sup>&</sup>lt;u>KU maintains a syndicated revolving credit facility of \$400 million.</u> Although there isn't any outstanding balance on the revolver, KU has executed notes under the multiyear revolving credit program, and also has \$48 million of short term commercial paper outstanding as of December 31, 2015.

#### Kentucky Utilities Company Balance Sheet as of December 31, 2015

#### Liabilities and Proprietary Capital

Utility Plant	
Utility Plant at Original Cost	\$ 9,082,008,901.23
Less: Reserves for Depreciation and Amortization	
Less. Reserves for Deprectation and Amortization	2,019,001,909.11
Total	6,232,156,912.12
-	
Investments	
Electric Energy, Inc	
Ohio Valley Electric Company	250,000.00
Nonutility Property-Less Reserve	971,313.10
Special Fund	
Total	1,221,313.10
Current and Accrued Assets	
Cash	7,202,017.55
Special Deposits	
Temporary Cash Investments	4,253,005.98
Accounts Receivable-Less Reserve	205,696,526.12
Accounts Receivable from Associated Companies	847,986.14
Notes Receivable from Associated Companies	
Materials and Supplies-At Average Cost	
Fuel	97,051,050.68
Plant Materials and Operating Supplies	41,183,222.05
Stores Expense	9,371,629.69
Emission Allowances	140,355.60
Prepayments	7,513,311.96
Miscellaneous Current and Accrued Assets	
-	
Total	373,259,105.77
-	
Deferred Debits and Other	
Unamortized Debt Expense	20,924,669.19
Unamortized Loss on Bonds	8,907,227.76
Accumulated Deferred Income Taxes	358,038,655.59
Deferred Regulatory Assets	379,151,145.16
Other Deferred Debits	47,772,011.43
Total	814,793,709.13
Total Assets	\$ 7,421,431,040.12

Assets

Proprietary Capital	
Common Stock	\$ 308,139,977.56
Less: Common Stock Expense	321,288.87
Paid-In Capital	563,858,083.00
Other Comprehensive Income	(1,627,215.32)
Retained Earnings	1,809,303,187.19
Unappropriated Undistributed Subsidiary Earnings	
Total Proprietary Capital	 2,679,352,743.56
Other Long-Term Debt	 2,341,130,601.99
Total Long-Term Debt	 2,341,130,601.99
Total Capitalization	 5,020,483,345.55
Current and Accrued Liabilities	
ST Notes Payable to Associated Companies	
Notes Payable	47,997,120.00
Accounts Payable	108,362,453.69
Accounts Payable to Associated Companies	39,179,663.47
Customer Deposits	26,249,503.24
Taxes Accrued	20,427,557.49
Interest Accrued	15,760,841.12
Dividends Declared	
Miscellaneous Current and Accrued Liabilities	 23,097,128.83
Total	 281,074,267.84
Deferred Credits and Other	
Accumulated Deferred Income Taxes	1,404,626,225.28
Investment Tax Credit	93,018,937.57
Regulatory Liabilities	153,390,896.28
Customer Advances for Constructions	1,968,685.25
Asset Retirement Obligations	362,143,424.48
Other Deferred Credits	8,679,929.34
Miscellaneous Long-Term Liabilities	2,343,039.61
Acct.= Provision for Pension & Postretirement Benefits	 93,702,288.92
Total	 2,119,873,426.73
Total Liabilities and Stockholders Equity	\$ 7,421,431,040.12

### Kentucky Utilities Company Comparative Statement of Income December 31, 2015

Year Ended Current Month

Electric Operating Revenues	. \$ 1,732,900,464.71
Rate Refunds	
Total Operating Revenues	
Fuel for Electric Generation	
Power Purchased	
Other Operation Expenses	
Maintenance	
Depreciation	
Amortization Expense	
Regulatory Credits	
Taxes	
Federal Income	(19,453,420.02)
State Income	
Deferred Federal Income - Net	
Deferred State Income - Net	
Property and Other	
Investment Tax Credit	
Loss (Gain) from Disposition of Allowances	(156.54)
Accretion Expense	
Total Operating Expenses	1,418,354,785.08
Total Operating Expenses	
Net Operating Income	
Net Operating Income Other Income Less Deductions	
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## Kentucky Utilities Company Analysis of Retained Earnings December 31, 2015

Retained Earnings and Undistributed Earnings	Year Ended Current Month Total Retained Earnings
Balance at Beginning of Period	1,728,986,178.85
Net Income for Period Deduct:	
Common Dividends Common Stock Without Par Value	
Adjust for Equity in Subsidiary Earnings for Year EE Inc	
Balance at End of Period	