

New York State Electric & Gas Corporation

**Consolidated Financial Statements (Unaudited)
For the Six Months Ended June 30, 2026 and 2025**

New York State Electric & Gas Corporation

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New York State Electric & Gas Corporation
Consolidated Statements of Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2026	2025	2026	2025
(Thousands)				
Operating Revenues	\$ 612,679	\$ 605,519	\$ 1,560,873	\$ 1,416,705
Operating Expenses				
Electricity purchased	170,119	146,150	550,122	412,402
Natural gas purchased	13,735	22,726	97,725	86,567
Operations and maintenance	242,411	236,627	452,832	471,785
Depreciation and amortization	68,808	62,286	136,431	124,370
Taxes other than income taxes, net	47,927	49,216	102,587	99,061
Total Operating Expenses	543,000	517,005	1,339,697	1,194,185
Operating Income	69,679	88,514	221,176	222,520
Other income	23,589	18,001	40,734	34,330
Other income (deductions), net	3,427	6,676	7,533	13,516
Interest expense, net of capitalization	(44,781)	(44,338)	(90,123)	(77,336)
Income Before Income Tax	51,914	68,853	179,320	193,030
Income tax expense	10,942	13,428	38,984	37,204
Net Income	\$ 40,972	\$ 55,425	\$ 140,336	\$ 155,826

New York State Electric & Gas Corporation
Consolidated Statements of Comprehensive Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2026	2025	2026	2025
(Thousands)				
Net Income	\$ 40,972	\$ 55,425	\$ 140,336	\$ 155,826
Other Comprehensive Income (Loss), Net of Tax				
Amortization of pension cost for non-qualified plans, net of income tax	8	(1,728)	15	(1,778)
Reclassification to net income of loss on settled cash flow treasury hedges, net of income tax	—	(10)	—	(10)
Other Comprehensive Income (Loss), Net of Tax	8	(1,738)	15	(1,788)
Comprehensive Income	\$ 40,980	\$ 53,687	\$ 140,351	\$ 154,038

New York State Electric & Gas Corporation
Consolidated Balance Sheets (Unaudited)

As of	June 30,	December 31,
(Thousands)	2026	2025
Assets		
Current Assets		
Cash and cash equivalents	\$ 247,843	\$ 176,423
Accounts receivable and unbilled revenues, net	371,382	452,550
Accounts receivable from affiliates	2,931	2,770
Notes receivable from affiliates	—	141
Fuel and natural gas in storage, at average cost	9,575	16,333
Materials and supplies	73,348	62,957
Derivative assets	24,021	19,834
Income tax receivable	—	7,618
Prepaid property taxes	35,578	45,055
Other current assets	69,597	64,894
Regulatory assets	204,818	275,739
Total Current Assets	1,039,093	1,124,314
Utility plant, at original cost	10,350,983	10,160,253
Less accumulated depreciation	(2,692,448)	(2,669,368)
Net Utility Plant in Service	7,658,535	7,490,885
Construction work in progress	1,239,148	1,004,523
Total Utility Plant	8,897,683	8,495,408
Operating lease right-of-use assets	8,992	7,100
Other property and investments	10,402	9,827
Regulatory and Other Assets		
Regulatory assets	1,213,931	1,257,009
Other	33,163	38,639
Total Regulatory and Other Assets	1,247,094	1,295,648
Total Assets	\$ 11,203,264	\$ 10,932,297

New York State Electric & Gas Corporation
Consolidated Balance Sheets (Unaudited)

As of	June 30, 2026	December 31, 2025
(Thousands, except share information)		
Liabilities		
Current Liabilities		
Current portion of long-term debt	\$ 618,748	\$ 617,851
Notes payable to affiliates	—	11
Accounts payable and accrued liabilities	515,415	697,063
Accounts payable to affiliates	55,901	20,119
Interest accrued	49,652	50,216
Taxes accrued	13,329	10,443
Operating lease liabilities	1,727	1,303
Environmental remediation costs	9,607	16,747
Customer deposits	13,063	13,233
Regulatory liabilities	68,288	51,363
Other	141,301	155,134
Total Current Liabilities	1,487,031	1,633,483
Regulatory and Other Liabilities		
Regulatory liabilities	843,111	833,673
Other Non-current Liabilities		
Deferred income taxes	1,129,292	1,084,666
Pension and other postretirement	59,380	68,668
Operating lease liabilities	8,618	7,096
Asset retirement obligation	10,682	10,412
Environmental remediation costs	50,108	50,442
Other	29,519	20,116
Total Regulatory and Other Liabilities	2,130,710	2,075,073
Non-current debt	3,712,783	3,741,352
Total Liabilities	7,330,524	7,449,908
Commitments and Contingencies		
Common Stock Equity		
Common stock (\$6.66 2/3 par value, 90,000,000 shares authorized and 64,508,477 shares outstanding at June 30, 2026 and December 31, 2025)	430,057	430,057
Additional paid-in capital	2,778,630	2,528,630
Retained earnings	664,937	524,601
Accumulated other comprehensive loss	(884)	(899)
Total Common Stock Equity	3,872,740	3,482,389
Total Liabilities and Equity	\$ 11,203,264	\$ 10,932,297

New York State Electric & Gas Corporation
Consolidated Statements of Cash Flows (Unaudited)

Periods Ended June 30,	2026	2025
(Thousands)		
Cash Flow from Operating Activities:		
Net income	\$ 140,336	\$ 155,826
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	136,431	124,370
Regulatory assets/liabilities amortization	46,067	56,570
Regulatory assets/liabilities carrying cost	(2,726)	(1,733)
Amortization of debt issuance costs	2,285	2,059
Deferred taxes	35,834	46,822
Pension cost	(5,725)	(11,491)
Accretion expenses	270	279
Loss (gain) on disposal of assets	133	(21)
Other non-cash items	(38,886)	(27,254)
Changes in operating assets and liabilities:		
Accounts receivable, from affiliates, and unbilled revenues	81,007	(21,415)
Inventories	(3,633)	7,037
Accounts payable, to affiliates, and accrued liabilities	(23,317)	(90,527)
Taxes accrued	10,505	(13,524)
Other assets/liabilities	(6,275)	30,932
Regulatory assets/liabilities	56,869	(31,487)
Net Cash Provided by Operating Activities	429,175	226,443
Cash Flow from Investing Activities:		
Capital expenditures	(596,321)	(503,705)
Contributions in aid of construction	24,325	32,803
Proceeds from sale of utility plant	—	39
Notes receivable from affiliates	—	28,700
Net Cash Used in Investing Activities	(571,996)	(442,163)
Cash Flow from Financing Activities:		
Non-current debt issuance	—	705,629
Repayments of non-current debt	(29,958)	—
Repayments of finance leases	(157)	(115)
Notes payable to affiliates	(11)	180
Capital contributions	250,000	—
Dividends paid	—	(450,000)
Net Cash Provided by Financing Activities	219,874	255,694
Net Increase in Cash, Cash Equivalents and Restricted Cash	77,053	39,974
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	215,086	4,444
Cash, Cash Equivalents and Restricted Cash, End of Period	\$ 292,139	\$ 44,418

New York State Electric & Gas Corporation
Consolidated Statements of Changes in Common Stock Equity (Unaudited)

(Thousands, except per share amounts)	Number of Shares (*)	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stock Equity
As of December 31, 2024	64,508,477 \$	430,057 \$	2,378,630 \$	726,457 \$	(677) \$	3,534,467
Net income	—	—	—	155,826	—	155,826
Other comprehensive loss, net of tax	—	—	—	—	(1,788)	(1,788)
Comprehensive income						154,038
Common stock dividends	—	—	—	(450,000)	—	(450,000)
As of June 30, 2025	64,508,477 \$	430,057 \$	2,378,630 \$	432,283 \$	(2,465) \$	3,238,505
As of December 31, 2025	64,508,477 \$	430,057 \$	2,528,630 \$	524,601 \$	(899) \$	3,482,389
Net income	—	—	—	140,336	—	140,336
Other comprehensive income, net of tax	—	—	—	—	15	15
Comprehensive income						140,351
Capital contributions	—	—	250,000	—	—	250,000
As of June 30, 2026	64,508,477 \$	430,057 \$	2,778,630 \$	664,937 \$	(884) \$	3,872,740

(*) Par value of share amounts is 6.66 2/3