FIRSTENERGY NYSE-FE

RECENT PRICE **49.32** | P/E RATIO **17.9** (Trailing: 19.0 Median: 15.0) | RELATIVE P/E RATIO **1.00** | DIV'D YLD **3.9%** | **VALUE LINE**

TIMELINESS 4 Lowered 5/1/26
SAFETY 2 Raised 8/22/25
TECHNICAL 3 Lowered 6/26/26
BETA .70 (1.00 = Market)

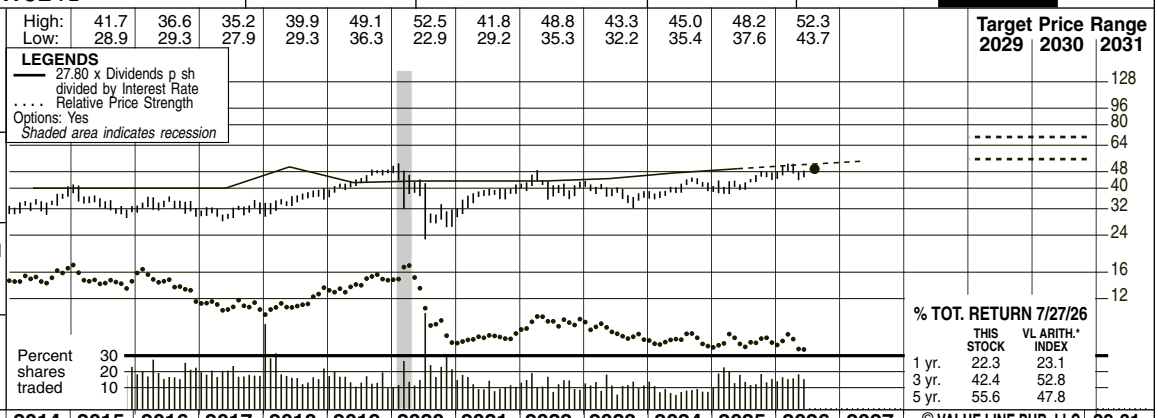
18-Month Target Price Range
Low-High **Midpoint (% to Mid)**
$42-$63 $53 (5%)

2029-31 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+40%)	*12%*
Low	55	(+10%)	*7%*

Institutional Decisions

	3Q2025	4Q2025	1Q2026
to Buy	441	364	512
to Sell	304	240	311
Hld's(000)	513597	520182	593353



% TOT. RETURN 7/27/26

	THIS STOCK	VL ARITH.* INDEX
1 yr.	22.3	23.1
3 yr.	42.4	52.8
5 yr.	55.6	47.8

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	© VALUE LINE PUB. LLC	29-31
43.76	38.87	36.57	35.60	35.74	35.48	32.92	31.49	22.00	20.41	19.87	19.52	21.78	22.41	23.36	26.11	***27.20***	***28.00***	Revenues per sh	***30.40***
8.50	5.75	6.05	6.30	6.26	7.04	7.04	6.54	5.19	4.80	4.59	5.41	4.71	4.78	5.13	5.33	***5.65***	***6.00***	"Cash Flow" per sh	***7.10***
3.25	1.88	2.13	2.97	2.56	2.71	2.63	2.73	2.59	2.56	2.39	2.60	2.41	2.56	2.63	2.54	***2.75***	***2.95***	Earnings per sh [A]	***3.60***
2.20	2.20	2.20	1.65	1.44	1.44	1.44	1.44	1.82	1.53	1.56	1.56	1.56	1.60	1.70	1.78	***1.86***	***1.94***	Div'd Decl'd per sh [B] ■	***2.24***
6.44	5.45	7.09	6.90	8.42	6.83	6.93	6.38	5.23	4.93	4.89	4.29	4.82	5.84	6.99	8.14	***9.50***	***11.00***	Cap'l Spending per sh	***12.75***
28.03	31.75	31.29	30.32	29.49	29.33	14.11	8.81	13.17	12.90	13.33	15.21	17.77	18.17	21.60	21.65	***22.75***	***24.25***	Book Value per sh [C]	***30.40***
304.84	418.22	418.22	418.63	421.10	423.56	442.34	445.33	511.92	540.65	543.12	570.26	572.13	574.34	576.61	577.85	***585.00***	***595.00***	Common Shs Outst'g [D]	***625.00***
11.7	22.4	21.1	13.1	13.2	12.6	12.7	11.4	13.6	17.1	15.7	14.1	17.0	14.9	15.2	16.7	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	***17.5***
.74	1.41	1.34	.74	.69	.63	.67	.57	.73	.91	.81	.76	.98	.83	.79	.87			Relative P/E Ratio	***.95***
5.8%	5.2%	4.9%	4.3%	4.3%	4.2%	4.3%	4.6%	5.2%	3.5%	4.2%	4.3%	3.8%	4.2%	4.2%	4.2%			Avg Ann'l Div'd Yield	***3.6%***
14562	14022	11261	11035	10790	11132	12459	12870	13472	15090	***15900***	***16650***	Revenues ($mill)	***19000***
1118.0	1213.0	1346.0	1380.0	1296.0	1419.0	1377.0	1468.0	1514.0	1471.0	***1610***	***1755***	Net Profit ($mill)	***2240***
37.4%	37.2%	28.5%	19.8%	13.6%	20.6%	48.1%	16.2%	25.1%	18.7%	***19.0%***	***19.0%***	Income Tax Rate	***19.0%***
9.2%	6.5%	4.8%	5.1%	5.9%	5.3%	6.1%	6.6%	8.8%	12.6%	***13.0%***	***13.0%***	AFUDC % to Net Profit	***13.0%***
74.5%	84.3%	72.3%	73.8%	75.4%	71.9%	67.6%	68.7%	64.4%	67.1%	***68.0%***	***68.5%***	Long-Term Debt Ratio	***69.0%***
25.5%	15.7%	27.4%	26.2%	24.6%	28.1%	32.4%	31.3%	35.6%	32.9%	***32.0%***	***31.5%***	Common Equity Ratio	***31.0%***
24433	25040	24565	26593	29368	30923	31369	33322	34951	38018	***41700***	***46300***	Total Capital ($mill)	***61300***
29387	28879	29911	31650	33294	34744	36285	38412	41102	44413	***48300***	***53000***	Net Plant ($mill)	***70400***
6.6%	7.0%	7.4%	6.8%	6.0%	6.2%	5.9%	5.8%	5.7%	5.4%	***5.5%***	***5.5%***	Return on Total Cap'l	***5.5%***
17.9%	30.9%	19.8%	19.8%	17.9%	16.4%	13.5%	14.1%	12.2%	11.8%	***12.0%***	***12.0%***	Return on Shr. Equity [E]	***12.0%***
17.9%	30.9%	18.9%	19.7%	17.9%	16.4%	13.5%	14.1%	12.2%	11.8%	***12.0%***	***12.0%***	Return on Com Equity [E]	***12.0%***
8.1%	14.6%	8.4%	8.1%	6.2%	6.6%	4.8%	5.4%	4.4%	3.6%	***4.0%***	***4.0%***	Retained to Com Eq	***4.5%***
55%	53%	58%	59%	65%	60%	65%	62%	64%	69%	***68%***	***66%***	All Div'ds to Net Prof	***62%***

CAPITAL STRUCTURE as of 6/30/26
Total Debt $28983 mill.
LT Debt $27102 mill. **LT Interest** $1170 mill.
Incl. $10 mill. finance leases.
(Total Interest coverage: 2.5x)
Leases, Uncapitalized Annual rentals $72 mill.

Pension Assets-12/25 $5967 mill.
Oblig. $7280 mill.
Pfd Stock None

Common Stock 578,639,932 shs.
as of 6/30/26
MARKET CAP: $28.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2023	2024	2025
% Change Retail Sales (MWH)	-3.3	+2.8	+1.3
Residential Use (MWH)	52217	54631	56397
Commercial Use (MWH)	38179	39020	39734
Industrial Use (MWH)	52252	52951	52321
Tot. Electric Deliv'd (MWH)	142648	146602	148452
Peak Load Summer (Mw)	NA	NA	NA
% Change Customers (yr-end)	+.5	+.5	+.5
Fixed Charge Cov. (%)	225	261	254

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '23-'25 to '29-'31
Revenues	-4.0%	3.0%	*4.0%*
"Cash Flow"	-2.5%	1.0%	*5.5%*
Earnings	-.5%	.5%	*5.5%*
Dividends	1.0%	.5%	*5.0%*
Book Value	-3.5%	9.5%	*6.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2023	3231	3006	3487	3146	12870
2024	3287	3280	3729	3176	13472
2025	3765	3380	4148	3797	15090
2026	4202	3678	***4195***	***3825***	***15900***
2027	***4335***	***3735***	***4590***	***3990***	***16650***

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2023	.60	.47	.88	.62	2.56
2024	.55	.56	.85	.67	2.63
2025	.67	.52	.83	.53	2.54
2026	.72	.50	***.93***	***.60***	***2.75***
2027	***.77***	***.58***	***.96***	***.64***	***2.95***

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.39	.39	.39	.39	1.56
2023	.39	.39	.39	.41	1.58
2024	.41	.425	.425	.425	1.69
2025	.425	.445	.445	.445	1.76
2026	.445	.465			

BUSINESS: FirstEnergy Corp. is a holding company for Ohio Edison, Pennsylvania Power, Cleveland Electric, Toledo Edison, Metropolitan Edison, Penelec, Jersey Central Power & Light, West Penn Power, Potomac Edison, & Mon Power. Provides electric service to about 6.3 million customers in OH, PA, NJ, WV, MD, & NY. Acq'd Allegheny Energy 2/11. Electric revenue breakdown: residential, 59%; commercial, industrial & other, 41%. Purchases most of its power. Power costs: 34.7% of revenues. 2025 reported depreciation rate: 2.8%. Employs about 11,200. Chair, President, and Chief Executive Officer: Brian X. Tierney. Incorporated: Ohio. Address: 341 White Pond Drive, Akron, Ohio 44320-1119. Telephone: 800-736-3402. Internet: www.firstenergycorp.com.

At the midpoint of 2026, FirstEnergy is on track for respectable earnings growth this year. On the one hand, the electric utility reported revenue growth of 10.3% during the first two quarters, to an aggregate of $7.88 billion. The company's disciplined investment strategy and favorable distribution sales were catalysts. But, on the other hand, operating expenses (+11.0%) remain somewhat elevated, in particular purchased power, distribution, and transmission costs. On balance, FirstEnergy posted core operating earnings (non-GAAP) of $1.22 per share through June, compared with $1.19 in the like-2025 period. For full-year 2026, we expect revenues to expand 5%–6%, to $15.90 billion, and core operating earnings to improve 8%–9%, to $2.75 per share.

Leadership is focused on targeted investments and constructive regulatory momentum. The company's transmission and distribution plan, Energize365, is aiming for capital investments totaling roughly $36 billion from 2026 through 2030. Among the program's goals is to establish a culture of continuous improvement, enhance the organization's credit metrics, maintain investment-grade ratings, strengthen the balance sheet, and grow earnings. It made $2.6 billion of capital investments in the first half.

Our top- and bottom-line estimates for 2027 are largely intact. We look for revenues to advance 4%–5% next year, to $16.65 billion (previously $16.60 billion). Strong electricity demand and favorable transmission rates ought to drive results. Our updated 2027 estimate for core operating earnings, at $2.95 per share (previously $2.90), would represent a year-over-year gain of 7%–8%. Note that FirstEnergy has a targeted annual earnings growth rate of 6%–8% from 2026 to 2030.

FirstEnergy shares will primarily appeal to conservative, income-minded investors. The dividend yield of 3.9% is 70 basis points above the electric utility average, and payout coverage is sound, at 68% of our 2026 bottom-line forecast. Also note the stock's Above Average (2) Safety rank and perfect scores for Price Stability and Earnings Predictability. However, the issue is untimely and long-term total return potential is underwhelming.

Sharif Abdou *August 7, 2026*

(A) Dil. egs. excl. nonrc. losses: '14, $2.05; '15, $1.34; '16, $17.12; '17, $6.61; '18, $1.26; '19, 89¢; '20, 54¢; '21, 33¢; '22, $1.70; '23, 60¢; '24, 93¢; '25, 78¢; '26 1H, (2¢); gains/(losses) from disc. ops.: '18, 66¢; '20, 14¢; '21, 8¢; '23, (4¢). May not sum due to rnd'g. Next egs. rpt. due late Oct. **(B)** Div. pd. Mar., Jun., Sept., Dec. ■ Div'd reinv. avail. **(C)** Incl. intang. in '25: $11.16/sh. **(D)** In mill. **(E)** High ROE from large writeoffs. Rate base: Depr. orig. cost. Rates all'd on com. eq.: 9.5-10.45%; Reg. Climate: NJ/OH/PA Avg.; MD/WV Below Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	100

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