

**PPL CORPORATION AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED FINANCIAL INFORMATION (a)**

**Condensed Consolidated Balance Sheet (Unaudited)**  
**(Millions of Dollars)**

	<b>September 30, 2009</b>	<b>December 31, 2008 (b)</b>
<b>Assets</b>		
Cash and cash equivalents	\$696	\$1,100
Price risk management assets - current	1,685	1,224
Assets held for sale	175	
Other current assets	1,743	2,059
Investments	582	522
Property, plant and equipment		
Electric plant	20,757	20,033
Gas and oil plant	68	68
Other property	163	156
	20,988	20,257
Less: accumulated depreciation	8,111	7,882
	12,877	12,375
Regulatory assets	493	737
Goodwill and other intangibles	1,427	1,400
Price risk management assets - noncurrent	1,839	1,392
Other noncurrent assets	427	596
Total assets	\$21,944	\$21,405
<b>Liabilities and Equity</b>		
Short-term debt (including current portion of long-term debt)	\$620	\$1,375
Price risk management liabilities - current	1,425	1,324
Other current liabilities	1,748	1,603
Long-term debt (less current portion)	7,250	7,142
Deferred income taxes and investment tax credits	2,203	1,764
Price risk management liabilities - noncurrent	927	836
Accrued pension obligations	839	899
Other noncurrent liabilities	995	1,066
Common stock and capital in excess of par value	2,268	2,200
Earnings reinvested	3,726	3,862
Accumulated other comprehensive loss	(376)	(985)
Noncontrolling interests	319	319
Total liabilities and equity	\$21,944	\$21,405

(a) The Financial Statements in this news release have been condensed and summarized for purposes of this presentation. Please refer to PPL Corporation's periodic filings with the Securities and Exchange Commission for full financial statements, including note disclosure.

(b) Certain amounts from 2008 have been reclassified to conform to the current year presentation.

**Condensed Consolidated Income Statement (Unaudited)**  
(Millions of Dollars, Except per Share Data)

	3 Months Ended September 30,		9 Months Ended September 30,	
	2009 (a)	2008 (a)(b)	2009 (a)	2008 (a)(b)
<b>Operating Revenues</b>				
Utility	\$955	\$1,007	\$2,901	\$3,108
Unregulated retail electric and gas	34	43	108	110
Wholesale energy marketing (c)				
Realized	999	748	2,564	1,610
Unrealized economic activity	(307)	1,157	(67)	361
Net energy trading margins	7	(132)	2	(82)
Energy-related businesses	117	148	321	394
<b>Total Operating Revenues</b>	<b>1,805</b>	<b>2,971</b>	<b>5,829</b>	<b>5,501</b>
<b>Operating Expenses</b>				
Operation				
Fuel	264	305	708	734
Energy purchases (c)				
Realized	750	500	2,049	1,126
Unrealized economic activity	(79)	1,020	255	157
Other operation and maintenance	317	361	1,043	1,095
Amortization of recoverable transition costs	73	73	227	217
Depreciation	120	117	343	345
Taxes, other than income	70	77	209	224
Energy-related businesses	109	134	298	361
<b>Total Operating Expenses</b>	<b>1,624</b>	<b>2,587</b>	<b>5,132</b>	<b>4,259</b>
<b>Operating Income</b>	<b>181</b>	<b>384</b>	<b>697</b>	<b>1,242</b>
Other Income - net	9	8	38	32
Other-Than-Temporary Impairments	6	6	18	16
Interest Expense	106	119	294	335
<b>Income from Continuing Operations Before Income Taxes</b>	<b>84</b>	<b>267</b>	<b>423</b>	<b>923</b>
Income Taxes	34	57	101	277
<b>Income from Continuing Operations After Income Taxes</b>	<b>50</b>	<b>210</b>	<b>322</b>	<b>646</b>
Income (Loss) from Discontinued Operations (net of income taxes)	(24)	(2)	(53)	22
<b>Net Income</b>	<b>26</b>	<b>208</b>	<b>269</b>	<b>668</b>
Net Income Attributable to Noncontrolling Interests	6	5	15	15
<b>Net Income Attributable to PPL Corporation</b>	<b>\$20</b>	<b>\$203</b>	<b>\$254</b>	<b>\$653</b>
<b>Amounts Attributable to PPL Corporation:</b>				
Income from Continuing Operations After Income Taxes	\$44	\$205	\$307	\$631
Income (Loss) from Discontinued Operations (net of income taxes)	(24)	(2)	(53)	22
<b>Net Income</b>	<b>\$20</b>	<b>\$203</b>	<b>\$254</b>	<b>\$653</b>
<b>Earnings Per Share of Common Stock - Basic</b>				
Earnings from Ongoing Operations	\$0.52	\$0.45	\$1.43	\$1.56
Special Items	(0.47)	0.09	(0.76)	0.18
<b>Net Income Available to PPL Corporation Common Shareowners</b>	<b>\$0.05</b>	<b>\$0.54</b>	<b>\$0.67</b>	<b>\$1.74</b>
<b>Earnings Per Share of Common Stock - Diluted</b>				
Earnings from Ongoing Operations	\$0.52	\$0.45	\$1.43	\$1.56
Special Items	(0.47)	0.09	(0.76)	0.17
<b>Net Income Available to PPL Corporation Common Shareowners</b>	<b>\$0.05</b>	<b>\$0.54</b>	<b>\$0.67</b>	<b>\$1.73</b>
<b>Weighted-Average Shares of Common Stock Outstanding (thousands)</b>				
Basic	376,384	374,290	375,795	373,394
Diluted	376,716	375,096	376,113	374,984

(a) Earnings in the 2009 and 2008 periods were impacted by several special items, as described in the text and tables of this news release. Earnings from ongoing operations excludes the impact of these special items.

(b) Certain amounts from 2008 have been reclassified to conform to the current year presentation.

(c) PPL enters into certain non-trading energy or energy-related contracts to hedge future cash flows that are not eligible for hedge accounting, or where hedge accounting is not elected. Consistent with the treatment of the hedged item, unrealized and realized gains and losses on these transactions are reflected in "Wholesale energy marketing" or "Energy purchases."

**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
**(Millions of Dollars)**

	<b>9 Months Ended</b>	
	<b>September 30,</b>	
	<b>2009</b>	<b>2008</b>
<b>Cash Flows from Operating Activities</b>		
Net Income	\$269	\$668
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	345	347
Amortization of recoverable transition costs and other	286	286
Defined benefits	(29)	(55)
Deferred income taxes and investment tax credits	20	(56)
Gains related to the extinguishment of notes	(29)	
Impairment of assets	109	53
Unrealized (gains) losses on derivatives and other hedging activities	256	(83)
Changes in working capital	(34)	(69)
Other operating activities	54	70
Net cash provided by operating activities	1,247	1,161
<b>Cash Flows from Investing Activities</b>		
Expenditures for property, plant and equipment	(821)	(979)
Net expenditures for intangible assets	(58)	(272)
Net proceeds from (purchases of) other investments	150	(14)
Net (increase) decrease in restricted cash and cash equivalents	170	(70)
Other investing activities	(32)	(15)
Net cash used in investing activities	(591)	(1,350)
<b>Cash Flows from Financing Activities</b>		
Net issuances (retirements) of long-term debt	(618)	400
Repurchase of common stock due to the repurchase program		(38)
Payment of common stock dividends	(386)	(365)
Net increase (decrease) in short-term debt	(70)	109
Other financing activities	14	10
Net cash provided by (used in) financing activities	(1,060)	116
<b>Effect of Exchange Rates on Cash and Cash Equivalents</b>		(5)
<b>Net Decrease in Cash and Cash Equivalents</b>	(404)	(78)
Cash and cash equivalents at beginning of period	1,100	430
Cash and cash equivalents included in assets held for sale		(3)
Cash and cash equivalents at end of period	\$696	\$349

### Key Indicators

Financial	12 Months Ended September 30,	
	2009	2008
Dividends declared per share	\$1.37	\$1.31
Book value per share (a)	\$14.92	\$14.91
Market price per share (a)	\$30.34	\$37.02
Dividend yield (a)	4.5%	3.5%
Dividend payout ratio (b)	97%	46%
Dividend payout ratio - earnings from ongoing operations (b)(c)	72%	61%
Price/earnings ratio (a)(b)	21.5	13.0
Price/earnings ratio - earnings from ongoing operations (a)(b)(c)	16.1	17.1
Return on average common equity	9.78%	19.68%
Return on average common equity - earnings from ongoing operations (c)	13.39%	15.62%

(a) End of period.

(b) Based on diluted earnings per share.

(c) Calculated using earnings from ongoing operations, which excludes the impact of special items, as described in the text and tables of this news release.

### Operating - Domestic & International Electricity Sales

(millions of kwh)	3 Months Ended September 30,			9 Months Ended September 30,		
	2009	2008	Percent Change	2009	2008	Percent Change
Domestic Retail						
Delivered (a)	9,061	9,624	(5.8%)	28,086	29,025	(3.2%)
Supplied	9,607	10,207	(5.9%)	29,748	30,732	(3.2%)
International Delivered						
United Kingdom	5,825	6,186	(5.8%)	19,806	20,889	(5.2%)
Domestic Wholesale						
East	7,914	8,783	(9.9%)	20,446	21,246	(3.8%)
West						
NorthWestern Energy	571	633	(9.8%)	1,698	1,869	(9.1%)
Other West	2,273	3,010	(24.5%)	6,782	8,759	(22.6%)

(a) Electricity delivered to retail customers represents the kwh delivered to customers within PPL Electric Utilities Corporation's service territory.

## Reconciliation of Business Segment Earnings from Ongoing Operations and Reported Earnings (Diluted)

### 3rd Quarter 2009

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$124	\$27	\$44	\$195	\$0.33	\$0.07	\$0.12	\$0.52
Special Items								
Unrealized losses from energy-related, non-trading economic hedges	(130)			(130)	(0.34)			(0.34)
Unrealized gains from foreign currency economic hedges			4	4				
Income taxes - Latin American businesses			(24)	(24)			(0.06)	(0.06)
Changes in tax accounting method	(25)			(25)	(0.07)			(0.07)
Total special items	(155)		(20)	(175)	(0.41)		(0.06)	(0.47)
<b>Reported Earnings</b>	<b>(\$31)</b>	<b>\$27</b>	<b>\$24</b>	<b>\$20</b>	<b>(\$0.08)</b>	<b>\$0.07</b>	<b>\$0.06</b>	<b>\$0.05</b>

### Year-to-Date September 30, 2009

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$239	\$99	\$202	\$540	\$0.63	\$0.26	\$0.54	\$1.43
Special Items								
Unrealized losses from energy-related, non-trading economic hedges	(168)			(168)	(0.45)			(0.45)
Unrealized losses from foreign currency economic hedges			(2)	(2)			(0.01)	(0.01)
Adjustments - nuclear decom. trust investments (Q1, '09; Q2, '09; Q3, '09)	(1)			(1)				
Impairments & other impacts - emission allowances (Q1, '09)	(15)			(15)	(0.04)			(0.04)
Impairments - assets held for sale & other (Q1, '09; Q2, '09)	(36)	(1)	(1)	(38)	(0.10)			(0.10)
Workforce reduction (Q1, '09)	(6)	(5)	(2)	(13)	(0.01)	(0.01)	(0.01)	(0.03)
Income taxes - Latin American businesses (Q3, '09)			(24)	(24)			(0.06)	(0.06)
Changes in tax accounting method (Q3, '09)	(25)			(25)	(0.07)			(0.07)
Total special items	(251)	(6)	(29)	(286)	(0.67)	(0.01)	(0.08)	(0.76)
<b>Reported Earnings</b>	<b>(\$12)</b>	<b>\$93</b>	<b>\$173</b>	<b>\$254</b>	<b>(\$0.04)</b>	<b>\$0.25</b>	<b>\$0.46</b>	<b>\$0.67</b>

### 12 Months Ended September 30, 2009

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$317	\$138	\$260	\$715	\$0.84	\$0.36	\$0.69	\$1.89
Special Items								
Unrealized losses from energy-related, non-trading economic hedges	(38)			(38)	(0.10)			(0.10)
Unrealized losses from foreign currency economic hedges			(2)	(2)			(0.01)	(0.01)
Sale of gas and propane businesses (Q4, '08; Q1, '09)		(1)		(1)				
Adjustments - nuclear decom. trust investments (Q4, '08; Q1, '09; Q2, '09; Q3, '09)	(13)			(13)	(0.03)			(0.03)
Impairments & other impacts - emission allowances (Q4, '08; Q1, '09)	(13)			(13)	(0.04)			(0.04)
Impairments - assets held for sale & other (Q4, '08; Q1, '09; Q2, '09)	(52)	(1)	(2)	(55)	(0.14)			(0.14)
Workforce reduction (Q1, '09)	(6)	(5)	(2)	(13)	(0.01)	(0.01)	(0.01)	(0.03)
Income taxes - Latin American businesses (Q3, '09)			(24)	(24)			(0.06)	(0.06)
Changes in tax accounting method (Q3, '09)	(25)			(25)	(0.07)			(0.07)
Total special items	(147)	(7)	(30)	(184)	(0.39)	(0.01)	(0.08)	(0.48)
<b>Reported Earnings</b>	<b>\$170</b>	<b>\$131</b>	<b>\$230</b>	<b>\$531</b>	<b>\$0.45</b>	<b>\$0.35</b>	<b>\$0.61</b>	<b>\$1.41</b>

## Reconciliation of Business Segment Earnings from Ongoing Operations and Reported Earnings (Diluted)

### 3rd Quarter 2008

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$59	\$36	\$73	\$168	\$0.16	\$0.09	\$0.20	\$0.45
Special Items								
Unrealized gains from energy-related, non-trading economic hedges	67			67	0.18			0.18
Impairments & other impacts - emission allowances	(27)			(27)	(0.07)			(0.07)
Adjustments - nuclear decom. trust investments	(1)			(1)	(0.01)			(0.01)
Sale of gas and propane businesses		(4)		(4)		(0.01)		(0.01)
Total special items	39	(4)		35	0.10	(0.01)		0.09
<b>Reported Earnings</b>	<b>\$98</b>	<b>\$32</b>	<b>\$73</b>	<b>\$203</b>	<b>\$0.26</b>	<b>\$0.08</b>	<b>\$0.20</b>	<b>\$0.54</b>

### Year-to-Date September 30, 2008

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$225	\$128	\$233	\$586	\$0.60	\$0.34	\$0.62	\$1.56
Special Items								
Unrealized gains from energy-related, non-trading economic hedges	121			121	0.32			0.32
Impairments & other impacts - emission allowances (Q3, '08)	(27)			(27)	(0.07)			(0.07)
Adjustments - nuclear decom. trust investments (Q2, '08; Q3, '08)	(5)			(5)	(0.02)			(0.02)
Sale of gas and propane businesses (Q2, '08; Q3, '08)		(5)		(5)		(0.01)		(0.01)
Off-site remediation of ash basin leak (Q2, '08)	1			1				
Montana basin seepage litigation (Q1, '08; Q2, '08)	(5)			(5)	(0.01)			(0.01)
Synfuel tax adjustment (Q1, '08)	(13)			(13)	(0.04)			(0.04)
Total special items	72	(5)		67	0.18	(0.01)		0.17
<b>Reported Earnings</b>	<b>\$297</b>	<b>\$123</b>	<b>\$233</b>	<b>\$653</b>	<b>\$0.78</b>	<b>\$0.33</b>	<b>\$0.62</b>	<b>\$1.73</b>

### 12 Months Ended September 30, 2008

	<i>(millions of dollars)</i>				<i>(per share)</i>			
	Supply	PA Delivery	Int'l Delivery	Total	Supply	PA Delivery	Int'l Delivery	Total
<b>Earnings from Ongoing Operations</b>	\$333	\$163	\$315	\$811	\$0.90	\$0.43	\$0.83	\$2.16
Special Items								
Unrealized gains from energy-related, non-trading economic hedges	133			133	0.35			0.35
Impairments & other impacts - emission allowances (Q3, '08)	(27)			(27)	(0.07)			(0.07)
Adjustments - nuclear decom. trust investments (Q2, '08; Q3, '08)	(5)			(5)	(0.02)			(0.02)
Sale of gas and propane businesses (Q4, '07; Q2, '08; Q3, '08)		(26)		(26)		(0.07)		(0.07)
Off-site remediation of ash basin leak (Q2, '08)	1			1				
Montana basin seepage litigation (Q1, '08; Q2, '08)	(5)			(5)	(0.01)			(0.01)
Synfuel tax adjustment (Q1, '08)	(13)			(13)	(0.04)			(0.04)
Workforce reduction (Q4, '07)	(4)	(1)	(4)	(9)	(0.01)		(0.01)	(0.02)
Sale of Latin American businesses (Q4, '07)			213	213			0.57	0.57
Impairment of transmission rights (Q4, '07)	(1)			(1)				
Total special items	79	(27)	209	261	0.20	(0.07)	0.56	0.69
<b>Reported Earnings</b>	<b>\$412</b>	<b>\$136</b>	<b>\$524</b>	<b>\$1,072</b>	<b>\$1.10</b>	<b>\$0.36</b>	<b>\$1.39</b>	<b>\$2.85</b>