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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 8-K

Current Report

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (date of earliest event reported) – February 19, 2010

ENERGY FUTURE HOLDINGS CORP.

(Exact name of registrant as specified in its charter)

TEXAS
(State or other jurisdiction
of incorporation)

1-12833
(Commission
File Number)

75-2669310
(I.R.S. Employer
Identification No.)

Energy Plaza, 1601 Bryan Street, Dallas, Texas 75201-3411
(Address of principal executive offices, including zip code)

Registrant's telephone number, including Area Code – (214) 812-4600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On February 19, 2010, Energy Future Holdings Corp. (the "Company") issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2009, and distributed a supplemental slide presentation entitled "EFH Corp. Q4 09 Investor Call". The press release is furnished herewith as Exhibit 99.1 and the slide presentation is furnished herewith as Exhibit 99.2.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of the Company issued on February 19, 2010, announcing its financial results for the fourth quarter and year ended December 31, 2009.
99.2	Slide presentation entitled "EFH Corp. Q4 09 Investor Call".

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENERGY FUTURE HOLDINGS CORP.

By: /s/ STAN J. SZLAUDERBACH

Name: **Stan J. Szlauderbach**

Title: **Senior Vice President and Controller**

Dated: February 19, 2010

Energy Future Holdings

FOR IMMEDIATE RELEASE

Energy Future Holdings Reports Fourth Quarter and Full Year 2009 Results

DALLAS – February 19, 2010 – Energy Future Holdings Corp. (EFH) today reported consolidated financial results for the fourth quarter and year ended December 31, 2009. The full year results were reported in the company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) this morning.

"We had solid operational and record safety performance in 2009 and completed the construction of our new Sandow 5 and Oak Grove 1 coal units on time and on budget," said John Young, CEO, Energy Future Holdings. "While the economic environment remains challenging, I believe Texas is positioned for future growth."

Fourth Quarter GAAP Results

For the fourth quarter 2009, EFH reported consolidated net income attributable to EFH Corp. (in accordance with GAAP) of \$137 million compared to a reported net loss of \$8.855 billion for the fourth quarter 2008. The fourth quarter 2009 reported net income included (all after tax) \$330 million in unrealized commodity-related mark-to-market net gains largely related to positions in EFH's long-term hedging program (discussed further below), \$110 million in unrealized mark-to-market net gains on interest rate swaps entered into to hedge interest expense, a \$56 million debt extinguishment gain resulting from a fourth quarter 2009 debt exchange and a \$14 million reversal of an outsourcing transition liability recorded in purchase accounting due to a shorter than planned transition period. These items were partially offset by a noncash impairment charge of \$22 million for the carrying value of land expected to be sold in 2010.

The fourth quarter 2008 reported net loss included (all after tax) noncash impairment charges of \$8.860 billion to write down goodwill, \$310 million to write down the trade name intangible asset and \$147 million to write down the carrying value of the natural gas-fueled generation plants, and \$983 million in unrealized mark-to-market net losses on interest rate swaps. These items were partially offset by \$1.642 billion (after tax) in unrealized mark-to-market net gains related to commodity positions.

Fourth Quarter Adjusted (Non-GAAP) Operating Results

Adjusted (non-GAAP) operating results for the fourth quarter 2009 totaled a net loss of \$351 million compared to a net loss of \$367 million for the fourth quarter 2008. For a reconciliation of reported GAAP results to adjusted (non-GAAP) operating results for the fourth quarter 2009 and 2008, see Tables A1 and A2.

Fourth quarter 2009 results from the competitive business improved \$39 million (after tax) as compared to fourth quarter 2008. The increase reflected (all after tax) an \$87 million improvement in contribution margin driven by favorable results from asset management and the retail business, the output from the new generation units, lower amortization of intangible assets arising from purchase accounting and lower purchased power costs during unplanned plant outages. Adding to the increase in contribution margin was an \$18 million improvement in the effective income tax rate due to lower interest rates applied to uncertain tax positions. Offsetting factors included a \$22 million increase in depreciation reflecting the placement in service of the Sandow 5 and Oak Grove 1 lignite-fueled generation units and related mining assets and ongoing investment in the generation fleet, an \$11 million increase in interest expense

primarily due to lower capitalized interest and an \$11 million reduction in other income due to insurance proceeds received in 2008 related to a mining equipment claim. Other offsetting factors included an \$8 million increase in operating costs due to the new generation units, an \$8 million increase related to marketing and employee related expenses, a \$6 million increase in amortization of retail intangible assets arising from purchase accounting and a \$4 million increase in retail bad debt expense.

Fourth quarter 2009 results related to the regulated business declined \$23 million (after tax) as compared to fourth quarter 2008, including a \$1 million decrease in net income attributable to Oncor noncontrolling interests arising from the November 2008 sale of a 20% interest. The \$24 million after-tax decrease in earnings of the regulated business reflected (all after tax) \$31 million in higher costs reflecting amortization of regulatory assets (primarily costs related to storm recovery and retirement benefits) approved for rate recovery, expenses associated with advanced meters and higher transmission fees and \$19 million in higher depreciation reflecting infrastructure investment and higher depreciation rates. The higher amortization and depreciation resulted from findings in Oncor's September 2009 final rate order. These cost increases were partially offset by \$26 million in higher revenues driven by rate increases including tariffs approved in the September 2009 rate order.

Full Year GAAP Results

For the twelve months ended (full year) December 31, 2009, EFH reported consolidated net income attributable to EFH Corp. (in accordance with GAAP) of \$344 million compared to a reported consolidated net loss of \$9.838 billion for the full year 2008. The full year 2009 reported net income included (all after tax) \$788 million in unrealized mark-to-market net gains related to commodity positions, \$452 million in unrealized mark-to-market net gains on interest rate swaps and the \$56 million debt extinguishment gain resulting from the fourth quarter 2009 debt exchange. These items were partially offset by noncash impairment charges of \$90 million to finalize the estimated goodwill charge recorded in 2008 and \$22 million related to the land value write down.

The full year 2008 reported net loss included (all after tax) the fourth quarter goodwill, trade name and natural gas-fueled generation plants impairment charges discussed above, \$322 million for the impairment of sulfur dioxide and nitrogen oxide emissions allowances and \$960 million in unrealized mark-to-market net losses on interest rate swaps, partially offset by \$1.5 billion in unrealized mark-to-market net gains related to commodity positions.

Full Year Adjusted (Non-GAAP) Operating Results

Adjusted (non-GAAP) operating results for the full year 2009 totaled a net loss of \$852 million compared to a net loss of \$876 million for the full year 2008. For a reconciliation of reported GAAP results to adjusted (non-GAAP) operating results for full year 2009 and 2008, see Tables A3 and A4.

Full year 2009 results from the competitive business improved \$121 million (after tax) as compared to full year 2008. The increase reflected (all after tax) a \$287 million improvement in contribution margin driven by favorable results from asset management and the retail business, lower purchased power costs during unplanned plant outages, lower amortization of intangible assets arising from purchase accounting, higher output from the nuclear-fueled generation units driven by the effect of two nuclear unit refueling outages in 2008 versus one in 2009, the output from the new generation units and the effect on the retail business of Hurricane Ike in 2008. Offsetting factors included \$66 million in higher net interest expense driven by increased amortization of interest rate hedge losses, a \$32 million increase in costs related to the transition of outsourced services and the new retail customer care system, a \$26 million increase in depreciation reflecting the new lignite-fueled generation facilities and ongoing investment in the generation fleet, \$25 million in higher amortization of retail intangible assets arising from purchase accounting, \$23 million in higher retail bad debt expense due to customer losses, new system conversion and general economic conditions and \$18 million in higher operating costs related to the new generation units.

Full year 2009 results related to the regulated business declined \$97 million (after tax) as compared to full year 2008, including a \$53 million increase in net income attributable to the 20% Oncor noncontrolling interests. The \$44 million after-tax decrease in earnings of the regulated business reflected (all after tax) \$71 million in higher costs reflecting higher transmission fees, amortization of regulatory assets approved for rate recovery and expenses associated with advanced meters and \$42 million in higher depreciation driven by infrastructure investment. The higher amortization and depreciation was based on Oncor's September 2009 final rate order. Partially offsetting these cost increases was \$71 million in higher revenues driven by rate increases including tariffs approved in the September 2009 rate order.

Long-Term Hedging Program

The EFH long-term hedging program is designed to reduce exposure to changes in future electricity prices due to changes in the price of natural gas. Under the program, subsidiaries of EFH have entered into market transactions involving natural gas-related financial instruments. As of December 31, 2009, these subsidiaries have sold forward approximately 1.6 billion MMBtu of natural gas (equivalent to the natural gas exposure of approximately 200,000 GWh at an assumed 8.0 market heat rate) for the period January 1, 2010 through December 31, 2014 at weighted average annual hedge prices ranging from \$7.80 per MMBtu to \$7.19 per MMBtu. These forward natural gas sales include related put and call transactions (referred to as collars), primarily for year 2014 of the program, that effectively hedge natural gas prices within a range. Collars represented approximately 6% of the positions in the long-term hedging program at December 31, 2009, with the approximate weighted average strike prices under the collars being a floor of \$7.80 per MMBtu and a ceiling of \$11.75 per MMBtu. For the period beginning January 1, 2010 and ending December 31, 2014, and taking into consideration the estimated portfolio impacts of forward retail and wholesale power sales, the hedging transactions result in EFH having effectively hedged an estimated 68% of the natural gas price exposure related to its expected generation output for such period (on an average basis for such period and assuming an 8.0 market heat rate).

Based on the size of the long-term hedging program as of December 31, 2009, a \$1.00/MMBtu change in natural gas prices across the hedged period would result in the recognition by EFH of up to approximately \$1.6 billion in pretax unrealized mark-to-market gains or losses. The effects of changes in forward natural gas prices on the values of positions in the program are reflected in net income (GAAP) as discussed above. Reported unrealized mark-to-market net gains (pretax) associated with the long-term hedging program totaled \$548 million and \$1.107 billion for fourth quarter and full year 2009, respectively, reflecting declines in forward natural gas prices. Given the volatility of natural gas prices, it is not possible to predict future reported unrealized mark-to-market net gains or losses and the actual net gains or losses that will ultimately be realized upon settlement of the hedge positions in future years. If natural gas prices at settlement are lower than the prices of the hedge positions, the hedges are expected to mitigate the otherwise negative effect on earnings of lower wholesale electricity prices. However, if natural gas prices at settlement are higher than the prices of the hedge positions, the hedges are expected to dampen the otherwise positive effect on earnings of higher wholesale electricity prices and will in this context be viewed as having resulted in an opportunity cost. The cumulative unrealized mark-to-market net gain (pretax) related to positions in the long-term hedging program totaled \$871 million and \$1.978 billion at December 31, 2008 and 2009, respectively.

Additional Information

Additional information, including the calculation of Adjusted EBITDA, one of the key metrics used for purposes of certain covenants contained in the EFH Senior Notes and Senior Secured bond indentures, is available in the EFH Form 10-K on the EFH website at www.energyfutureholdings.com.

Investor Call

EFH will host a conference call to discuss its fourth quarter and full year 2009 results with its investors on Friday, February 19, 2010 at 10:00 a.m. Central (11:00 a.m. Eastern). The telephone number to participate in the conference call is (888) 825-4458 in the United States and Canada and (973) 638-3323 internationally, with conference code 50730302. The teleconference also will be webcast live in the Investor Relations section on EFH's website.

* * *

About Energy Future Holdings

EFH is a Dallas-based energy holding company, with a portfolio of competitive and regulated energy subsidiaries, primarily in Texas, including TXU Energy, Luminant and Oncor. TXU Energy is a competitive retailer that provides electricity and related services to more than 2 million electricity customers in Texas. Luminant is a competitive power generation business, including mining, wholesale marketing and trading, construction and development operations. Luminant has 17,500 MW of generation in Texas, including 2,300 MW fueled by nuclear power and 7,200 MW fueled by coal. An additional 800 MW of coal-fueled generation capacity is under construction and expected to begin commercial operation in 2010. Luminant is also the largest purchaser of wind-generated electricity in Texas and fifth largest in the United States. Oncor is a regulated electric distribution and transmission business that uses superior asset management skills to provide reliable electricity delivery to consumers. Oncor operates the largest distribution and transmission system in Texas, providing power to more than three million electric delivery points over more than 102,000 miles of distribution and 15,000 miles of transmission lines. While Oncor is a subsidiary of EFH Corp., Oncor reports to a separate and independent board.

Forward Looking Statements

This release contains forward-looking statements, which are subject to various risks and uncertainties. Discussion of risks and uncertainties that could cause actual results to differ materially from management's current projections, forecasts, estimates and expectations is contained in EFH's filings with the SEC. In addition to the risks and uncertainties set forth in EFH's SEC filings, the forward-looking statements in this release regarding the company's long-term hedging program could be affected by, among other things: any change in the ERCOT electricity market, including a regulatory or legislative change, that results in wholesale electricity prices not being largely correlated to natural gas prices; any decrease in market heat rates as EFH's long-term hedging program generally does not mitigate exposure to changes in market heat rates; the unwillingness or failure of any hedge counterparty or the lender under the company's collateral revolving credit facility to perform its obligations; or any other unforeseen event that results in the inability to continue to use a first lien to secure a substantial portion of the hedges under EFH's long-term hedging program.

-END-

Investor Relations:

Bill Huber
214.812.2480

Corporate Communications:

Lisa Singleton
214.812.5049

Tables

Table A1: Consolidated: Reconciliation of GAAP results to adjusted (non-GAAP) operating results
Fourth Quarter 2009; \$ millions

	GAAP Results	Adjustments	Adjusted Operating Results
Operating revenues	2,180	31 ^a	2,211
Fuel, purchased power costs and delivery fees	(707)	(35) ^a	(742)
Net gain (loss) from commodity hedging and trading activities	733	(509) ^a	224
Operating costs	(427)	—	(427)
Depreciation and amortization	(467)	—	(467)
Selling, general and administrative expenses	(276)	—	(276)
Franchise and revenue-based taxes	(100)	—	(100)
Other income	132	(108)	24
Other deductions	(47)	34	(13)
Interest income	15	—	15
Interest expense and related charges	(776)	(169) ^b	(945)
Income (loss) before income taxes and noncontrolling interests	260	(756)	(496)
Income tax (expense) benefit	(113)	268 ^c	155
Net income (loss)	147	(488)	(341)
Net income attributable to noncontrolling interests	(10)	—	(10)
Net income /adjusted (non-GAAP) operating loss to EFH	137	(488)	(351)

^a These adjustments total \$513 million and represent unrealized mark-to-market net gains on commodity positions, including \$548 million in net gains related to the long-term hedging program and \$35 million in net losses associated with other hedging and trading activities and derivative commodity contracts that are marked-to-market.

^b Represents unrealized mark-to-market net losses on interest rate swap transactions.

^c Reflects statutory federal and state income tax rate of 35.6%, except for the interest expense adjustment, which is tax-affected at the 35.0% federal rate.

Table A2: Consolidated: Reconciliation of GAAP results to adjusted (non-GAAP) operating results
Fourth Quarter 2008; \$ millions

	GAAP Results	Adjustments	Adjusted Operating Results
Operating revenues	2,364	113 ^a	2,477
Fuel, purchased power costs and delivery fees	(728)	(77) ^a	(805)
Net gain (loss) from commodity hedging and trading activities	2,432	(2,586) ^a	(154)
Operating costs	(383)	—	(383)
Depreciation and amortization	(393)	—	(393)
Selling, general and administrative expenses	(245)	—	(245)
Franchise and revenue-based taxes	(104)	—	(104)
Impairment of goodwill	(8,860)	8,860	—
Other income	37	—	37
Other deductions	(718)	712	(6)
Interest income	5	—	5
Interest expense and related charges	(2,431)	1,512 ^b	(919)
Income (loss) before income taxes and noncontrolling interests	(9,024)	8,534	(490)
Income tax (expense) benefit	9	125 ^c	134
Net income (loss)	(9,015)	8,659	(356)
Net income (loss) attributable to noncontrolling interests	160	(171)	(11)
Net loss/adjusted (non-GAAP) operating loss to EFH	(8,855)	8,488	(367)

^a These adjustments total \$2.550 billion and represent unrealized mark-to-market net gains on commodity positions, including \$2.556 billion in net gains related to the long-term hedging program and \$6 million in net losses associated with other hedging and trading activities and derivative commodity contracts that are marked-to-market.

^b Represents unrealized mark-to-market net gains on interest rate swap transactions.

^c Reflects statutory federal and state income tax rate of 35.6%, except for the interest expense adjustment, which is tax-affected at the 35.0% federal rate.

Table A3: Consolidated: Reconciliation of GAAP results to adjusted (non-GAAP) operating results
Full Year 2009; \$ millions

	GAAP Results	Adjustments	Adjusted Operating Results
Operating revenues	9,546	166 ^a	9,712
Fuel, purchased power costs and delivery fees	(2,878)	(114) ^a	(2,992)
Net gain (loss) from commodity hedging and trading activities	1,736	(1,277) ^a	459
Operating costs	(1,598)	—	(1,598)
Depreciation and amortization	(1,754)	—	(1,754)
Selling, general and administrative expenses	(1,068)	—	(1,068)
Franchise and revenue-based taxes	(359)	—	(359)
Impairment of goodwill	(90)	90	—
Other income	204	(131)	73
Other deductions	(97)	59	(38)
Interest income	45	—	45
Interest expense and related charges	(2,912)	(696) ^b	(3,608)
Income (loss) before income taxes and noncontrolling interests	775	(1,903)	(1,128)
Income tax (expense) benefit	(367)	707 ^c	340
Net income (loss)	408	(1,196)	(788)
Net income attributable to noncontrolling interests	(64)	—	(64)
Net income/adjusted (non-GAAP) operating loss to EFH	344	(1,196)	(852)

^a These adjustments total \$1.225 billion and represent unrealized mark-to-market net gains on commodity positions, including \$1.107 billion in net gains related to the long-term hedging program and \$118 million in net gains associated with other hedging and trading activities and derivative commodity contracts that are marked-to-market.

^b Represents unrealized mark-to-market net gains on interest rate swap transactions.

^c Reflects statutory federal and state income tax rate of 35.6%, except for the interest expense adjustment, which is tax-affected at the 35.0% federal rate.

Table A4: Consolidated: Reconciliation of GAAP results to adjusted (non-GAAP) operating results
Full Year 2008; \$ millions

	GAAP Results	Adjustments	Adjusted Operating Results
Operating revenues	11,364	(42) ^a	11,322
Fuel, purchased power costs and delivery fees	(4,595)	(6) ^a	(4,601)
Net gain (loss) from commodity hedging and trading activities	2,184	(2,281) ^a	(97)
Operating costs	(1,503)	—	(1,503)
Depreciation and amortization	(1,610)	—	(1,610)
Selling, general and administrative expenses	(957)	—	(957)
Franchise and revenue-based taxes	(363)	—	(363)
Impairment of goodwill	(8,860)	8,860	—
Other income	80	—	80
Other deductions	(1,301)	1,263	(38)
Interest income	27	—	27
Interest expense and related charges	(4,935)	1,477 ^b	(3,458)
Income (loss) before income taxes and noncontrolling interests	(10,469)	9,271	(1,198)
Income tax (expense) benefit	471	(138) ^c	333
Net income (loss)	(9,998)	9,133	(865)
Net income (loss) attributable to noncontrolling interests	160	(171)	(11)
Net loss/adjusted (non-GAAP) operating loss to EFH	(9,838)	8,962	(876)

^a These adjustments total \$2.329 billion and represent unrealized mark-to-market net gains on commodity positions, including \$2.588 billion in net gains related to the long-term hedging program and \$259 million in net losses associated with other hedging and trading activities and derivative commodity contracts that are marked-to-market.

^b Represents unrealized mark-to-market net gains on interest rate swap transactions.

^c Reflects statutory federal and state income tax rate of 35.6%, except for the interest expense adjustment, which is tax-affected at the 35.0% federal rate.

Table B: Financial definitions

Term	Definition
GAAP	Generally accepted accounting principles.
Adjusted (non-GAAP) Operating Results	Net income (loss) adjusted for items representing income or losses that are not reflective of underlying operating results. These items include unrealized mark-to-market gains and losses, noncash impairment charges and other charges, credits or gains that are unusual or nonrecurring. EFH uses adjusted (non-GAAP) operating results as a measure of performance and believes that analysis of its business by external users is enhanced by visibility to both net income (loss) prepared in accordance with GAAP and adjusted (non-GAAP) operating earnings (losses).
Adjusted EBITDA (non-GAAP)	EBITDA adjusted to exclude interest income, noncash items, unusual items, income from discontinued operations and other adjustments allowable under the EFH Senior Notes bond indenture. Adjusted EBITDA plays an important role in respect of certain covenants contained in the EFH Senior Notes. Adjusted EBITDA is not intended to be an alternative to GAAP results as a measure of operating performance or an alternative to cash flows from operating activities as a measure of liquidity or an alternative to any other measure of financial performance presented in accordance with GAAP, nor is it intended to be used as a measure of free cash flow available for EFH's discretionary use, as the measure excludes certain cash requirements such as interest payments, tax payments and other debt service requirements. Because not all companies use identical calculations, Adjusted EBITDA may not be comparable to similarly titled measures of other companies. See EFH's filings with the SEC for a detailed reconciliation of EFH's net income prepared in accordance with GAAP to Adjusted EBITDA.
Competitive Business	Refers to the combined results of the Competitive Electric segment and Corp. & Other.
Contribution Margin (non-GAAP)	Operating revenues less fuel, purchased power costs and delivery fees, plus or minus net gain (loss) from commodity hedging and trading activities, which on an adjusted (non-GAAP) basis, exclude unrealized gains and losses.
EBITDA (non-GAAP)	Net income before interest expense and related charges and income tax expense (benefit) plus depreciation and amortization.
Regulated Delivery Segment	Refers to the results of the Regulated Delivery segment, which consists of Oncor.

Energy Future Holdings



**EFH Corp.
Q4 09 Investor Call**

February 19, 2010

Safe Harbor Statement

This presentation contains forward-looking statements, which are subject to various risks and uncertainties. Discussion of risks and uncertainties that could cause actual results to differ materially from management's current projections, forecasts, estimates and expectations is contained in EFH Corp.'s filings with the Securities and Exchange Commission (SEC). In addition to the risks and uncertainties set forth in EFH Corp.'s SEC filings, the forward-looking statements in this presentation regarding the company's long-term hedging program could be affected by, among other things: any change in the ERCOT electricity market, including a regulatory or legislative change, that results in wholesale electricity prices not being largely correlated to natural gas prices; any decrease in market heat rates as the long-term hedging program generally does not mitigate exposure to changes in market heat rates; the unwillingness or failure of any hedge counterparty or the lender under the commodity collateral posting facility to perform its obligations; or any other unforeseen event that results in the inability to continue to use a first lien to secure a substantial portion of the hedges under the long-term hedging program. In addition, the forward-looking statements in this presentation regarding the company's new generation plants could be affected by, among other things, any adverse judicial rulings with respect to the plants' construction and operating permits.

Regulation G

This presentation includes certain non-GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included in the appendix to this presentation.

Today's Agenda

**Financial and Operational
Overview**

**Paul Keglevic
Executive Vice President & CFO**

2009 Review

Q&A

2

EFH Corp. Adjusted (Non-GAAP) Operating Results - QTR

Consolidated: reconciliation of GAAP net income (loss) to adjusted (non-GAAP) operating results¹
Q4 08 vs. Q4 09; \$ millions, after tax

Factor	Q4 08	Q4 09	Change
GAAP net income (loss) attributable to EFH Corp.	(8,855)	137	8,992
Items excluded from adjusted (non-GAAP) operating earnings (after tax):			
Unrealized commodity-related mark-to-market net (gains) losses	(1,642)	(330)	1,312
Unrealized mark-to-market net losses (gains) on interest rate swaps	983	(110)	(1,093)
Non-cash impairment charges:			
Land	-	22	22
Goodwill	8,860	-	(8,860)
Goodwill impairment applicable to minority interests	(171)	-	171
Intangible assets ²	310	-	(310)
Natural gas-fueled generation plants	147	-	(147)
Debt extinguishment gain November 2009 debt exchange	-	(56)	(56)
Other (noncash) ³	1	(14)	(15)
Adjusted (non-GAAP) operating income (loss) attributable to EFH Corp.	(367)	(351)	16

¹ See Appendix for Regulation G reconciliations and definitions

² Q4 08 includes impairment of trade name and emissions allowances

³ Q4 09 represents a \$14 million (after tax) adjustment to a liability recorded in purchase accounting related to a terminated outsourcing agreement.

EFH Corp. Adjusted (Non-GAAP) Operating Results - FY

Consolidated: reconciliation of GAAP net income (loss) to adjusted (non-GAAP) operating results¹
FY 08 vs. FY 09; \$ millions, after tax

Factor	FY 08	FY 09	Change
GAAP net income (loss) attributable to EFH Corp.	(9,838)	344	10,182
Items excluded from adjusted (non-GAAP) operating earnings (after tax):			
Unrealized commodity-related mark-to-market net (gains) losses	(1,500)	(788)	712
Unrealized mark-to-market net losses (gains) on interest rate swaps	960	(452)	(1,412)
Non-cash impairment charges:			
Land	-	22	22
Goodwill	8,860	90	(8,770)
Goodwill impairment applicable to minority interests	(171)	-	171
Intangible assets	632	-	(632)
Natural gas-fueled generation plants	147	-	(147)
Debt extinguishment gain November 2009 debt exchange	-	(56)	(56)
Other (noncash)	34	(12)	(46)
Adjusted (non-GAAP) operating income (loss) attributable to EFH Corp.	(876)	(852)	24

¹ See Appendix for Regulation G reconciliations and definitions.

² 2008 includes impairment of trade name and emissions allowances.

³ 2008 includes \$17 million (after tax) representing a reserve established against accounts receivable (excluding termination-related costs) from affiliates of Lehman Brothers Holdings, Inc. arising from commodity hedging and trading activities, all of which were terminated in September 2008. 2009 includes \$16 million (after tax) representing a write-off of rate case disallowed regulatory assets, \$14 million (after tax) arising from the reversal of a use tax accrual recorded in purchase accounting related to periods prior to the merger in October 2007 and \$14 million (after tax) representing an adjustment to a liability recorded in purchase accounting related to a terminated outsourcing agreement.

EFH Corp. Adjusted (Non-GAAP) Operating Results – QTR

Consolidated: key drivers of the change in EFH Corp. (non-GAAP) operating results
Q4 09 vs. Q4 08; \$ millions, after tax

Description/Drivers	Better (Worse) Than Q4 08
Competitive business¹:	
Higher margin from asset management & the retail business	39
Impact of new lignite-fueled generation units	25
Lower amortization of intangibles arising from purchase accounting	13
Lower purchased power costs during unplanned plant outages	10
Contribution margin	87
Improvement in the effective tax rate due to lower interest rates applied to uncertain tax positions	18
Higher depreciation reflecting new lignite-fueled generation facilities & ongoing generation fleet investment	(22)
Higher interest expense primarily due to lower capitalized interest	(11)
Lower other income – primarily due to insurance proceeds received in 2008 related to a mining equipment claim	(11)
Higher operating costs due to the new plants	(8)
Higher marketing costs and employee related expenses	(8)
Higher amortization of retail intangible assets arising from purchase accounting	(6)
Higher retail bad debt expense	(4)
All other - net	4
Total increase –Competitive business	39
Regulated Delivery segment:	
Higher revenues driven by rate increases including tariffs approved in the 2009 rate order	26
Higher costs reflecting amort. of reg. assets approved for recovery, AMS implementation & higher transmission fees	(31)
Higher depreciation reflecting infrastructure investment & higher depreciation rates approved in the 2009 rate order	(19)
Total decrease –Regulated Delivery segment	(24)
Net income attributable to noncontrolling interests	1
Total change in adjusted (non-GAAP) operating results	16

¹ Competitive business consists of Competitive Electric segment and Corp. & Other.

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EFH Corp. Adjusted (Non-GAAP) Operating Results – FY

Consolidated key drivers of the change in EFH Corp. (non-GAAP) operating results
FY 09 vs. FY 08; \$ millions, after tax

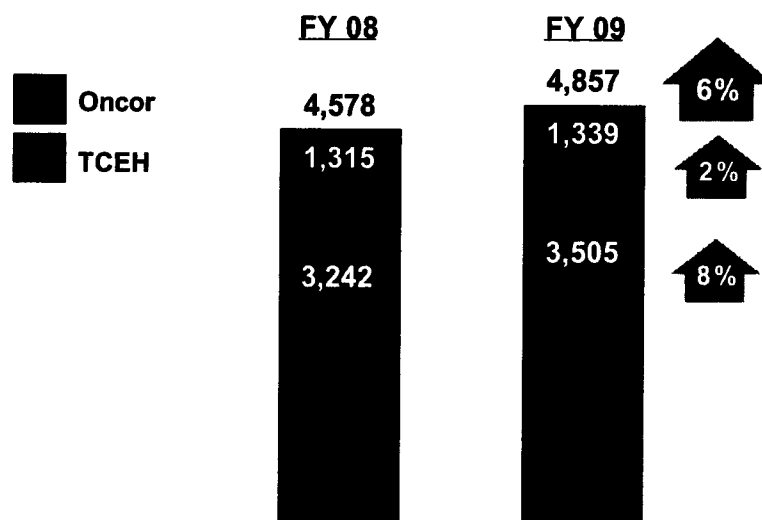
Description/Drivers	Better (Worse) Than FY 08
Competitive business¹:	
Higher margin from asset management & the retail business	108
Lower purchased power costs during unplanned plant outages	68
Lower amortization of intangibles arising from purchase accounting	43
Higher output from nuclear-fueled plants	30
Impact of new lignite-fueled generation units	25
Effect on retail business of Hurricane Ike in 2008	13
Contribution margin	287
Lower nuclear plant maintenance costs reflecting two nuclear refueling outages in 2008 vs. one in 2009	20
Higher interest expense reflecting increased amortization of interest rate hedge losses	(66)
Higher costs related to the transition of outsourced services & new retail customer care system	(32)
Higher depreciation reflecting the new lignite-fueled generation facilities & ongoing generation fleet investment	(26)
Higher amortization of retail intangible assets arising from purchase accounting	(25)
Higher retail bad debt expense due to customer losses, new system conversion & general economic conditions	(23)
Higher operating costs due to the new plants	(18)
All other – net	4
Total increase - Competitive business	121
Regulated Delivery segment:	
Higher revenues driven by rate increase, partially offset by the effects of milder weather & weaker economy	71
Higher costs reflecting higher transmission fees, amort. of reg. assets approved for recovery & AMS implementation	(71)
Higher depreciation reflecting infrastructure investment & higher depreciation rates approved in the 2009 rate order	(42)
All other - net	(2)
Total decrease - Regulated Delivery segment	(44)
Net income attributable to non-controlling interests	(53)
Total change in adjusted (non-GAAP) operating results	24

¹ Competitive business consists of Competitive Electric segment and Corp. & Other.

6

EFH Corp. Earnings Performance

EFH Corp. Adjusted EBITDA (non-GAAP) ¹
FY 09 vs. FY 08 ²; \$ millions



EFH Corp. had solid earnings performance despite the difficult economic environment largely due to the effectiveness of our hedge program and operational improvements.

¹ See Appendix for Regulation G reconciliations and definitions

² Twelve months ended December 31. FY08 and FY 09 include \$21 million and \$13 million, respectively, of Corp & Other Adjusted EBITDA.

Luminant Operational Results



Luminant

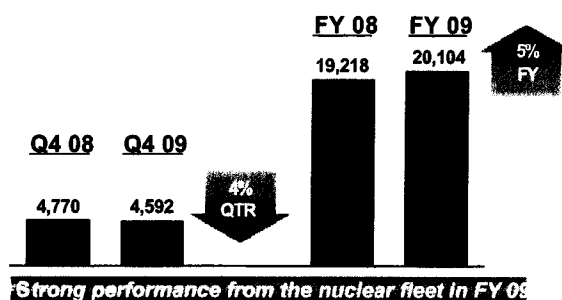
2009 Nuclear Plant Results:

- One outage in 2009 vs. two outages in 2008
- Company record safety performance
- Completed 4% up-rate of Units 1 (late 2008) & 2 (2009)
- 4th shortest refueling outage in Luminant history
- Top decile industry performance

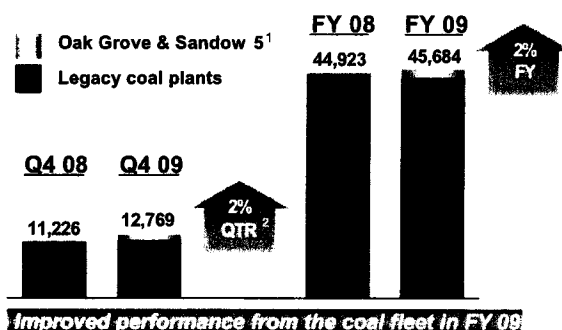
2009 Lignite/Coal Plant Results:

- Company record safety performance
- New plants produced 1.3 TWh
- Better plant performance of ~70 GWh offset by higher economic backdown of ~750 GWh
- Top quartile industry performance

Nuclear-fueled generation; GWh



Coal-fueled generation; GWh



¹ Q4 09 and FY 09 generation from Sandow 5 and Oak Grove 1 of 1,348 GWh and 1,443 GWh, respectively
² Variance does not include generation from Sandow 5 and Oak Grove 1

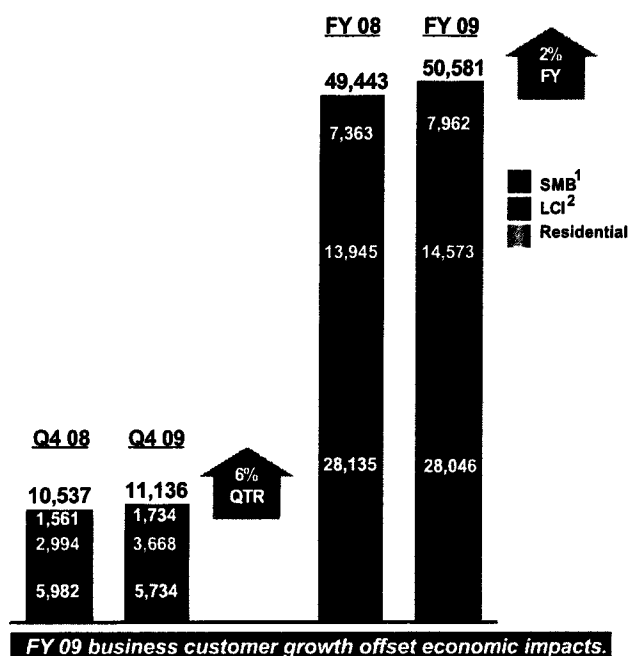
TXU Energy Operational Results



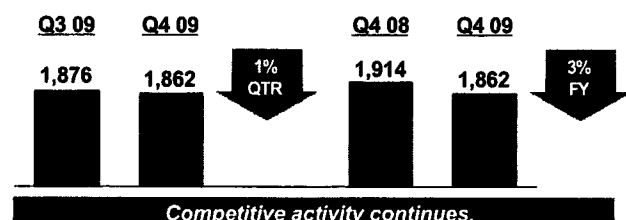
2009 Results

- Lower residential sales volumes driven by lower customer counts
- Business load growth attributable to new customers offset by reduced customer usage as a result of a weaker economy
- Lower residential customer counts reflect competitive activity in the marketplace
- Highest recorded level of overall customer satisfaction

Retail electricity sales volumes by customer class; GWh



Total residential customers End of period, thousands



¹ Small business customers

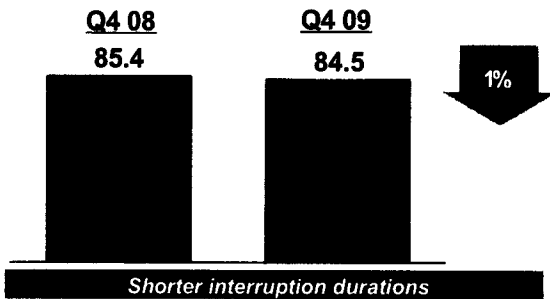
² Large commercial and industrial customers

Oncor Operational Results

2009 Results

- Lower energy volumes due to a weaker economy
- Improved reliability – shorter interruption durations
- Execution of AMS plan – ~350,000 advanced meters installed during the fourth quarter; ~660,000 through December 31, 2009
- 9 of 14 CREZ-related Certificates of Convenience and Necessity filed with the Public Utility Commission of Texas (PUC)

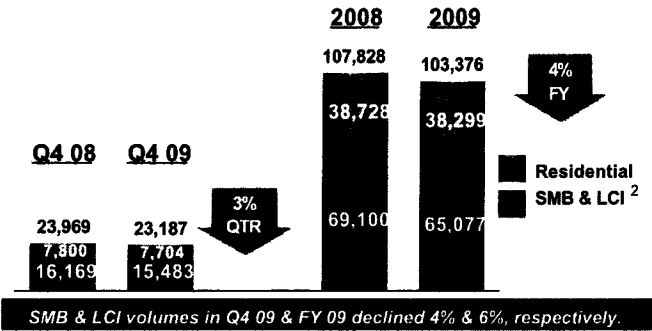
SAIDI (nonstorm) ¹; Minutes



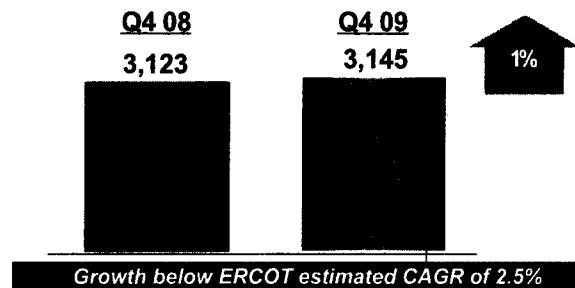
¹ System Average Interruption Duration Index (nonstorm) is the average number of minutes electric service is interrupted per consumer in a year

² SMB – small business; LCI – large commercial and industrial

Electric energy billed volumes; GWh

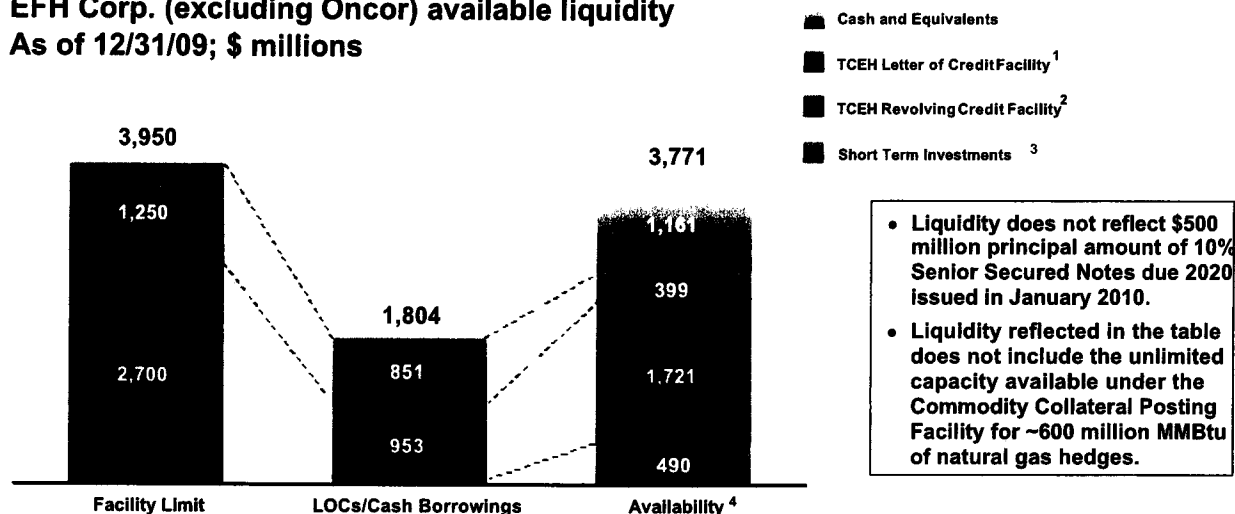


Electricity distribution points of delivery End of period, thousands of meters



EFH Corp. Liquidity Management

EFH Corp. (excluding Oncor) available liquidity
As of 12/31/09; \$ millions

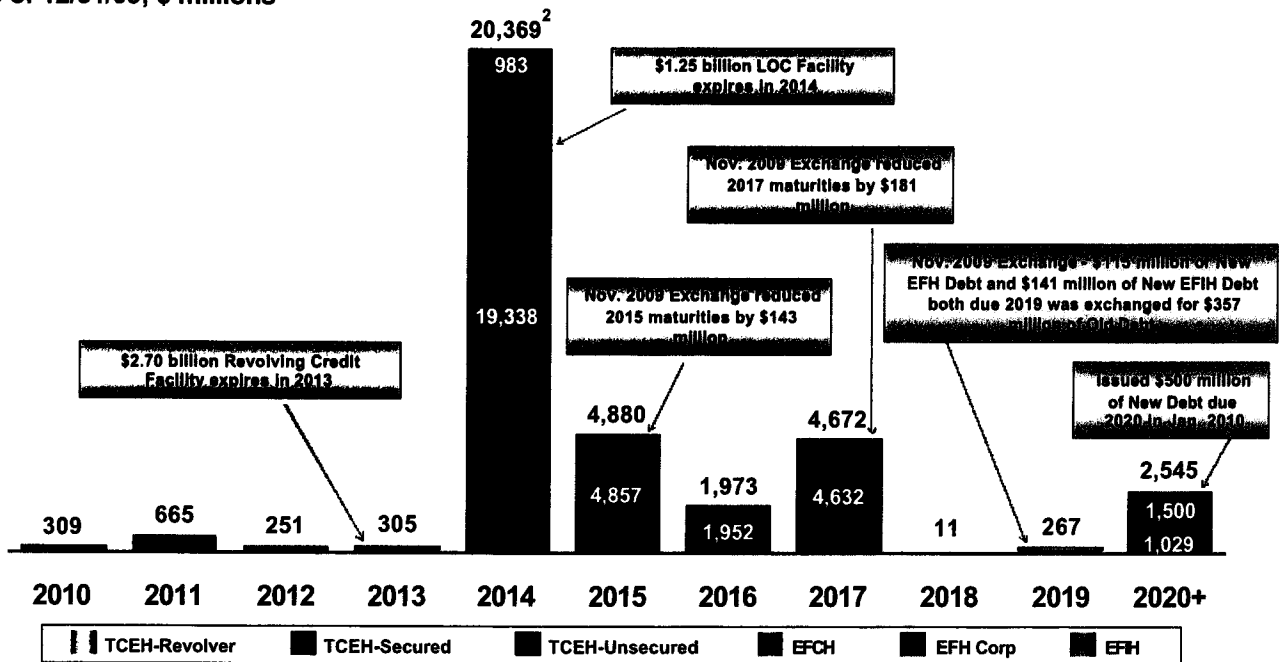


EFH Corp. and TCEH have sufficient liquidity to meet their anticipated short-term needs, but will continue to monitor market conditions to ensure financial flexibility.

- ¹ Facility to be used for issuing letters of credit for general corporate purposes. Cash borrowings of \$1.250 billion were drawn on this facility in October 2007, and, except for \$115 million related to a letter of credit drawn in June 2009, have been retained as restricted cash. Outstanding letters of credit are supported by the restricted cash.
- ² Facility availability includes \$141 million of undrawn commitments from a subsidiary of Lehman Brothers that has filed for bankruptcy. These funds are only available from the fronting banks and the swingline lender, and exclude \$26 million of requested draws not funded by the Lehman subsidiary.
- ³ Includes \$425 million cash and \$65 million letter of credit investment, maturing on 3/31/10, in collateral funding transactions with counterparties to certain interest rate swaps and commodity hedging transactions.
- ⁴ Pursuant to the Public Utility Commission of Texas (PUC) rules, TCEH is required to maintain available liquidity to assure adequate credit worthiness of TCEH's retail electric provider subsidiaries, including the ability to return customer deposits, if necessary. As a result, at 12/31/09, the total availability under the TCEH credit facilities should be further reduced by \$228 million.

Current Maturity Profile

EFH Corp. debt maturities ¹ (excluding Oncor), 2010-2020 and thereafter
As of 12/31/09; \$ millions



EFH continues to explore opportunities to improve the enterprise's maturity profile.

¹ Includes amortization of the \$4.1 billion Delayed Draw Term Loan and additional debt issued in May and November 2009 related to the PIK election of the EFH and TCEH Toggle Notes.
² Excludes borrowings under the TCEH Revolving Credit Facility maturing in 2013, the Deposit Letter of Credit maturing in 2014 and unamortized discounts and premiums.

2010 TCEH Adjusted EBITDA (Non-GAAP) Key Drivers

Illustrative for discussion purposes

TCEH Adjusted EBITDA¹
\$ millions

2009

3,505

Drivers	2010 Est. Impact vs. 2009 (millions)		Assumptions
New Build	↑	\$325 - \$425	<ul style="list-style-type: none"> 11-13 TWh² \$7.80/MMBtu hedge price 7.2-7.4 heat rate \$56-\$58/MWh power price \$34-\$37/MWh margin
Retail	↑	\$0 - \$100	<ul style="list-style-type: none"> Potential retail margin improvement driven by lower commodity environment and reduced bad debt
PRB	↓	\$100 - \$200	<ul style="list-style-type: none"> Higher delivered PRB coal costs <ul style="list-style-type: none"> \$10-\$12/ton 10-15 million tons
Commodity	↓	\$300 - \$400	<ul style="list-style-type: none"> Lower effective NG hedge <ul style="list-style-type: none"> \$0.34/MMBtu 500-550 MMBtu Lower effective HR hedge <ul style="list-style-type: none"> \$2-\$3/MWh 60-70 TWh

¹ See Appendix for Regulation G reconciliations and definitions

² Total new build generation for 2010. Assumes performance for initial start-up year of operations for Oak Grove 1 and Sandow 5 and mid-year substantial completion for Oak Grove 2. 13

TCEH Open EBITDA (Non-GAAP) Estimate

TCEH Open EBITDA (non-GAAP)¹ Estimate

10E: \$ millions

\$1,600 - \$2,200

2010E

Assumptions	Units	2010E
Wholesale		
Total baseload generation	TWh	72 - 78
Estimated power price ²	\$/MWh	\$42 - \$44
Average baseload cost ³	\$/MWh	\$25 - \$27
Retail		
Revenues ⁴	\$	\$5.3 - \$5.7B
Profitability percentage (after tax) ⁵	%	5-10%

¹ Open EBITDA estimates assume generation is sold at market observed forward prices less production costs and retail volumes are sold at market observed retail rates and historical retail profitability percentage. Estimates exclude all impacts of natural gas and power hedging activities, specifically the impacts of the TCEH Long-Term Hedging Program and any heat rate hedges. Additionally, this calculation includes provisions for fuel expense and O&M based on expected power generation output along with purchased power for sales to retail customers, and SG&A based on the generation output and sales to retail customers. The inability to predict the timing and amount of future items makes a detailed reconciliation of the projections to a GAAP measure impracticable. See Appendix for Regulation G definition.

² Estimated wholesale power prices for 2010 are based on average ERCOT NZ prices as of 12/31/09

³ Includes fuel (excluding nuclear fuel amortization), O&M and SG&A expenses.

⁴ Based on an 11¢ / kWh average residential new offer pricing as reflected on the Power to Choose website at www.powertochoose.org and ~50 TWh of historical TXU Energy total sales.

⁵ Calculation assumes a 35.0% overall tax rate.

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Today's Agenda

**Financial and Operational
Overview**

2009 Review

**John Young
President & CEO**

Q&A

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Today's Agenda

**Financial and Operational
Overview**

2009 Review

Q&A

EFH Corp. Senior Executive Team

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Questions & Answers

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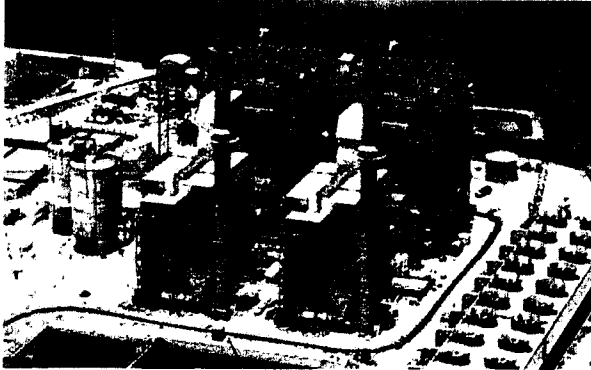
Appendix

Appendix – Additional Slides and Regulation G Reconciliations

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Luminant Solid-Fuel Development Program

Sandow Power Plant Unit 5 Rockdale, Texas



Estimated net capacity	~580 MW
Primary fuel	Texas lignite
Initial synchronization	July 2009
Substantial completion date ¹	September 2009

Oak Grove Power Plant Robertson County, Texas



Luminant



	Unit 1	Unit 2
Estimated net capacity	~800 MW	~800 MW
Primary fuel	Texas lignite	Texas lignite
Percent complete at 12/31/09	100%	~94%
Initial synchronization	August 2009	January 2010
Substantial completion date ¹	December 2009	Mid-2010

- Sandow 5 and Oak Grove 1 lignite-fueled generating units achieved substantial completion on September 30th and December 22nd, respectively.
- Luminant's construction of the new Oak Grove 2 lignite-fueled generating unit continues to track on time and on budget.

¹ Substantial completion date is the contractual milestone when Luminant takes over operations of the unit from the EPC contractor

Unrealized Mark-To-Market Impact Of Hedging

Unrealized mark-to-market impact of hedging program
12/31/09 vs. 12/31/08; mixed measures, pre-tax

Factor	Measure	2009	2010	2011	2012	2013	2014	Total or Avg.
12/31/08								
Natural gas hedges	mm MMBtu	~173	~450	~502	~492	~300	~101	~2,018
Wtd. avg. hedge price ¹	\$/MMBtu	~\$8.16	~\$7.82	~\$7.56	~\$7.36	~\$7.19	~\$7.80	
Natural gas prices	\$/MMBtu	~\$6.11	~\$7.13	~\$7.31	~\$7.23	~\$7.15	~\$7.15	
Cum. MtM gain at 12/31/08	\$ billions	~\$0.4	~\$0.3	~\$0.0	~\$0.0	~\$0.0	~\$0.2	~\$0.9
12/31/09								
Natural gas hedges ³	mm MMBtu	--	~240	~447	~490	~300	~97	~1,574
Wtd. avg. hedge price ¹	\$/MMBtu	--	~\$7.79	~\$7.56	~\$7.36	~\$7.19	~\$7.80	
Natural gas prices	\$/MMBtu	--	~\$5.79	~\$6.34	~\$6.53	~\$6.67	~\$6.84	
Cum. MtM gain at 12/31/09	\$ billions	--	~\$0.8	~\$0.4	~\$0.4	~\$0.2	~\$0.2	~\$2.0
2009 MtM gain	\$ billions	~(\$0.4)	~\$0.5	~\$0.4	~\$0.4	~\$0.2	~\$0.0	~\$1.1

Decreases in natural gas prices during 2009 resulted in a ~\$1.1 billion (~\$710 million after tax) unrealized mark-to-market net gain in GAAP income for 2009.

¹ Weighted average prices are based on NYMEX Henry Hub prices of forward natural gas sales positions in the long-term hedging program (excluding the impact of offsetting purchases for rebalancing and pricing point basis transactions). Where collars are reflected, sales price represents the collar floor price. 12/31/09 prices for 2010 represent January 1, 2010 through December 31, 2010 values.

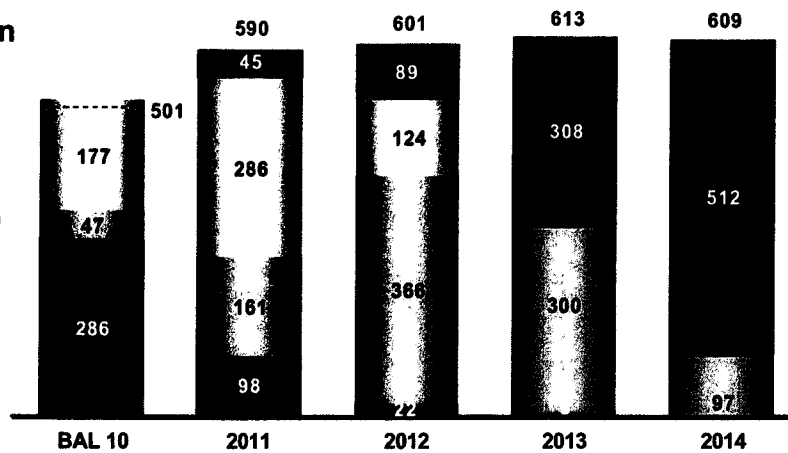
² MtM values include the effects of all transactions in the long-term hedging program including offsetting purchases (for re-balancing) and natural gas basis deals.

³ As of 12/31/09, 2010 represents January 1, 2010 through December 31, 2010 volumes. Where collars are reflected, the volumes are estimated based on the natural gas price sensitivity (i.e., delta position) of the derivatives. The notional volumes for collars are approximately 150 million MMBtu, which corresponds to a delta position of approximately 97 million MMBtu in 2014

TCEH Natural Gas Exposure

TCEH Natural Gas Position 10-14¹; million MMBtu

- Open Position
- ▨ Hedges Backed by CCP
- ▨ Hedges Backed by Asset First Lien
- TXUE and Luminant Net Positions²
- 100% Hedge Level



Factor	Measure	BAL 10	2011	2012	2013	2014	Total or Average
Natural gas hedging program	million MMBtu	~224	~447	~490	~300	~97	~1,558
TXUE and Luminant net positions	million MMBtu	~286	~98	~22	~5	—	~411
Overall estimated percent of total NG position hedged	percent	~102%	~92%	~85%	~50%	~16%	~68%

TCEH has hedged approximately 68% of its estimated Henry Hub-based natural gas price exposure from February 1, 2010 through December 31, 2014. More than 99% of the NG Hedges are supported directly by a first lien or by the TCEH Commodity Collateral Posting Facility.

¹ As of 12/31/09. Balance of 2010 is from February 1, 2010 to December 31, 2010. Assumes conversion of electricity positions based on a ~8.0 heat rate with natural gas being on the margin ~75-90% of the time (i.e. when other technologies are forecast to be on the margin, no natural gas position is assumed to be generated).

² Includes estimated retail/wholesale effects. 2010 position includes ~10 million MMBtu of short gas positions associated with proprietary trading positions, excluding these positions, 2010 position is ~99% hedged.

EFH Corp. Adjusted EBITDA Sensitivities

Impact on EFH Corp. Adjusted EBITDA¹ 10E; mixed measures

Commodity	Percent Hedged at December 31, 2009	Change	10E Impact \$ millions
7X24 market heat rate (MMBtu/MWh)	~75	0.1 MMBtu/MWh	~10
NYMEX gas price (\$/MMBtu)	~100	\$1/MMBtu	~9
Texas gas vs. NYMEX Henry Hub price (\$/MMBtu ⁴)	>95	\$0.10/MMBtu	~1
Diesel (\$/gallon ⁵)	>95	\$1/gallon	~1
Base coal (\$/ton ⁶)	~90	\$5/ton	~10
Nuclear fuel (\$/lb)	~100	\$10/lb.	~0
Generation operations			
Baseload generation (TWh)	n.a.	1 TWh	~25
Retail operations			
	Balance of 2010		
Residential contribution margin (\$/MWh)	28 TWh	\$1/MWh	~28
Residential consumption	28 TWh	1%	~8
Business markets consumption	23 TWh	1%	~5

The majority of 2010 commodity-related risks are significantly mitigated.

¹ 2010 estimate based on commodity positions as of 12/31/09, net of long-term hedges and wholesale/retail effects, excludes gains and losses incurred prior to December 31, 2009. See Appendix for definition.

² Simplified representation of heat rate position in a single TWh position. In reality, heat rate impacts are differentiated across plants and respective pricing periods. baseload (linked primarily to changes in North Zone 7x24), natural gas plants (primarily North Zone 5x16) and wind (primarily West Zone 7x8).

³ Assumes conversion of electricity positions based on a ~8.0 market heat rate with natural gas being on the margin ~75-90% of the time (i.e., when coal is forecast to be on the margin, no natural gas position is assumed to be generated).

⁴ The percentage hedged represents the amount of estimated natural gas exposure based on Houston Ship Channel (HSC) gas price sensitivity as a proxy for Texas gas price.

⁵ Includes positions related to fuel surcharge on rail transportation.

⁶ Excludes fuel surcharge on rail transportation.

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Commodity Prices

Commodity prices¹ Q4 08, Q4 09, FY 09 and BOY 10E; mixed measures

Commodity	Units	Q4 08 Actual	Q4 09 Actual	FY 09 Actual	BOY 10E
NYMEX gas price ²	\$/MMBtu	\$6.38	\$4.26	\$3.92	\$5.79
HSC gas price	\$/MMBtu	\$5.93	\$4.25	\$3.75	\$5.73
7x24 market heat rate (HSC) ³	MMBtu/MWh	6.92	7.52	8.09	7.49
North Zone 7x24 power price	\$/MWh	\$40.88	\$31.68	\$29.78	\$42.84
Gulf Coast ultra-low sulfur diesel	\$/gallon	\$1.85	\$1.96	\$1.66	\$2.17
PRB 8400 coal	\$/ton	\$9.28	\$7.18	\$9.15	\$8.50
LIBOR interest rate	percent	2.94%	0.52%	1.11%	0.98%

¹ BOY 10 estimate based on commodity prices as of 12/31/09 for January 2010 through December 2010.

² Based on NYMEX forward curve

³ Based on market clearing price for energy

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Financial Definitions

Measure	Definition
GAAP	Generally accepted accounting principles.
Adjusted (non-GAAP) Operating Results	Net income (loss) adjusted for items representing income or losses that are not reflective of underlying operating results. These items include unrealized mark-to-market gains and losses, noncash impairment charges and other charges, credits or gains that are unusual or nonrecurring. EFH Corp. uses adjusted (non-GAAP) operating earnings as a measure of performance and believes that analysis of its business by external users is enhanced by visibility to both net income (loss) prepared in accordance with GAAP and adjusted (non-GAAP) operating earnings (losses).
Competitive Business Results	Refers to the combined results of the Competitive Electric segment and Corporate & Other.
Regulated Delivery segment Results	Refers to the results of the Regulated Delivery segment, which consists of Oncor.
Contribution Margin (non-GAAP)	Operating revenues less fuel, purchased power costs, and delivery fees, plus or minus net gain (loss) from commodity hedging and trading activities, which on an adjusted (non-GAAP) basis, exclude unrealized gains and losses.
EBITDA (non-GAAP)	Net income (loss) from continuing operations before interest expense and related charges, and income tax expense (benefit) plus depreciation and amortization.
Adjusted EBITDA (non-GAAP)	EBITDA adjusted to exclude interest income, noncash items, unusual items, interest income, income from discontinued operations and other adjustments allowable under the EFH Corp. Senior Notes bond indenture. Adjusted EBITDA plays an important role in respect of certain covenants contained in the EFH Corp. Senior Notes. Adjusted EBITDA is not intended to be an alternative to GAAP results as a measure of operating performance or an alternative to cash flows from operating activities as a measure of liquidity or an alternative to any other measure of financial performance presented in accordance with GAAP, nor is it intended to be used as a measure of free cash flow available for EFH Corp.'s discretionary use, as the measure excludes certain cash requirements such as interest payments, tax payments and other debt service requirements. Because not all companies use identical calculations, Adjusted EBITDA may not be comparable to similarly titled measures of other companies.
Open EBITDA (non-GAAP)	Open EBITDA estimates assume generation is sold at market observed forward prices less production costs and retail volumes are sold at market observed retail rates and historical retail profitability percentage. Estimates exclude all impacts of natural gas and power hedging activities, specifically the impacts of the TCEH Long-Term Hedging Program and any heat rate hedges. Additionally, this calculation includes provisions for fuel expense and O&M based on expected power generation output along with purchased power for sales to retail customers, and SG&A based on the generation output and sales to retail customers.
Purchase Accounting	The purchase method of accounting for a business combination as prescribed by GAAP, whereby the purchase price of a business combination is allocated to identifiable assets and liabilities (including intangible assets) based upon their fair values. The excess of the purchase price over the fair values of assets and liabilities is recorded as goodwill. Depreciation and amortization due to purchase accounting represents the net increase in such noncash expenses due to recording the fair market values of property, plant and equipment, debt and other assets and liabilities, including intangible assets such as emission allowances, customer relationships and sales and purchase contracts with pricing favorable to market prices at the date of the Merger. Amortization is reflected in revenues, fuel, purchased power costs and delivery fees, depreciation and amortization, other income and interest expense in the income statement.

Table 1: EFH Corp. Adjusted EBITDA Reconciliation
Twelve Months Ended December 31, 2008 and 2009
\$ millions

Factor	FY 08	FY 09
Net income (loss) attributable to EFH Corp.	(9,838)	344
Income tax expense (benefit)	(471)	367
Interest expense and related charges	4,935	2,912
Depreciation and amortization	1,610	1,754
EBITDA	(3,764)	5,377
Adjustments to EBITDA (pre-tax):		
Oncor EBITDA	(496)	(1,354)
Oncor distributions/dividends ¹	1,582	216
Interest income	(27)	(45)
Amortization of nuclear fuel	76	95
Purchase accounting adjustments	460	346
Impairment of goodwill ³	8,000	90
Impairment of assets and inventory write-down	1,221	42
Net gain on debt exchange offers	-	(87)
Net income (loss) attributable to noncontrolling interests	(160)	64
EBITDA amount attributable to consolidated unrestricted subsidiaries	-	3
Unrealized net (gain) loss resulting from hedging transactions	(2,329)	(1,225)
Amortization of "day one" net loss on Sandoz power purchase agreement	-	(10)
Losses on sale of receivables	29	12

Note: Table and footnotes to this table continue on following page

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Table 1: EFH Adjusted EBITDA Reconciliation (continued from previous page)
Twelve Months Ended December 31, 2008 and 2009
\$ millions

Factor	FY 08	FY 09
Non-cash compensation expense	27	11
Severance expense	3	10
Transition and business optimization costs	45	22
Transaction and merger expenses	64	81
Insurance settlement proceeds	(21)	-
Restructuring and other	35	(14)
Expenses incurred to upgrade or expand a generation station	100	100
Adjusted EBITDA per Incurrence Covenant	4,845	3,734
Add back Oncoadjustments	(267)	1,123
Adjusted EBITDA per Restricted Payments Covenant	4,578	4,857

¹ 2008 amount includes \$1 253 billion distribution proceeds from the sale of Oncor noncontrolling interests.

² Includes amortization of the intangible net asset value of retail and wholesale power sales agreements, environmental credits, coal purchase contracts, nuclear fuel contracts and power purchase agreements and the stepped-up value of nuclear fuel. Also includes certain credits not recognized in net income due to purchase accounting.

³ 2009 amount reflects the completion in the first quarter of 2009 of the fair value calculation supporting the goodwill impairment charge that was recorded in the fourth quarter of 2008.

⁴ Includes impairment of emissions allowances and trade name intangible assets, impairment of land and the natural gas-fueled generation fleet and charges related to the cancelled development of coal-fueled generation facilities.

⁵ Accounted for under accounting standards related to stock compensation and exclude capitalized amounts

⁶ Includes amounts incurred related to outsourcing, restructuring and other amounts deemed to be in excess of normal recurring amounts

⁷ Includes professional fees primarily for retail billing and customer care systems enhancements and incentive compensation.

⁸ Includes costs related to the Merger and abandoned strategic transactions, outsourcing transition costs, administrative costs related to the cancelled program to develop coal-fueled facilities, the Sponsor management fee, costs related to certain growth initiatives and costs related to the Oncor sale of noncontrolling interests.

⁹ Includes the amount received for property damage to certain mining equipment.

¹⁰ 2009 amount primarily represents reversal of certain liabilities accrued in purchase accounting and recorded as other income, partially offset by restructuring and nonrecurring activities. 2008 amount includes a litigation accrual, a charge related to the bankruptcy of a subsidiary of Lehman Brothers Holdings Inc., and other restructuring initiatives and nonrecurring activities.

¹¹ Reflects noncapital outage costs.

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Table 2: TCEH Adjusted EBITDA Reconciliation
Twelve Months Ended December 31, 2008 and 2009
\$ millions

Factor	FY 08	FY 09
Net income (loss)	(8,862)	709
Income tax expense (benefit)	(411)	447
Interest expense and related charges	3,918	1,833
Depreciation and amortization	1,092	1,172
EBITDA	(4,263)	4,161
Adjustments to EBITDA (pre-tax):		
Interest income	(60)	(64)
Amortization of nuclear fuel	76	95
Purchase accounting adjustments ¹	413	299
Impairment of goodwill ²	8,000	70
Impairment of assets and inventory write-down ³	1,210	36
EBITDA amount attributable to consolidated unrestricted subsidiaries	-	3
Unrealized net (gain) loss resulting from hedging transactions	(2,329)	(1,225)
Amortization of "day one" net loss on Sandoz power purchase agreement	-	(10)
Corp. depreciation, interest and income tax expense included in SG&A	-	6
Losses on sale of receivables	29	12
Non-cash compensation expense	10	1
Severance expense	3	10

Note: Table and footnotes to this table continue on following page

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Table 2: TCEH Adjusted EBITDA Reconciliation (continued from previous page)
Twelve Months Ended December 31, 2008 and 2009
\$ millions

Factor	FY 08	FYD 09
Transition and business optimization costs	33	25
Transaction and merger expenses	10	5
Insurance settlement proceeds	(21)	-
Restructuring and other	31	(19)
Expenses incurred to upgrade or expand a generation station	100	100
Adjusted EBITDA per Incurrence Covenant	3,242	3,505
Expenses related to unplanned generation station outages	250	91
Other adjustments allowed to determine Adjusted EBITDA per Maintenance Covenant ¹	15	38
Adjusted EBITDA per Maintenance Covenant	3,507	3,634

¹ Includes amortization of the intangible net asset value of retail and wholesale power sales agreements, environmental credits, coal purchase contracts, nuclear fuel contracts and power purchase agreements and the stepped up value of nuclear fuel. Also includes certain credits not recognized in net income due to purchase accounting.

² 2009 amount reflects the completion in the first quarter of 2009 of the fair value calculations supporting the goodwill impairment charge that was recorded in the fourth quarter of 2008.

³ Includes impairment of emission allowances and trade name intangible assets and impairment of land and the natural gas-fueled generation fleet.

⁴ Accounted for under accounting standards related to stock compensation and excludes capitalized amounts

⁵ Includes amounts incurred related to outsourcing, restructuring and other amounts deemed to be in excess of normal recurring amounts.

⁶ Includes professional fees primarily for retail billing and customer care systems enhancements and incentive compensation.

⁷ Includes costs related to the Merger, outsourcing transition costs and costs related to certain growth initiatives.

⁸ Includes the amount received for property damage to certain mining equipment.

⁹ 2009 amount primarily represents reversal of certain liabilities accrued in purchase accounting and recorded as other income, partially offset by restructuring and nonrecurring activities. 2008 amount includes a charge related to the bankruptcy of a subsidiary of Lehman Brothers Holdings Inc. and other restructuring initiatives and nonrecurring activities.

¹⁰ Reflects noncapital outage costs.

¹¹ Primarily pre-operating expenses related to Oak Grove and Sandow 5 generation facilities.

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Table 3: Oncor Adjusted EBITDA Reconciliation
Twelve Months Ended December 31, 2008 and 2009
\$ millions

Factor	FY 08	FY 09
Net income	(487)	320
Income tax expense	221	173
Interest expense and related charges	316	346
Depreciation and amortization	492	557
EBITDA	542	1,396
Interest income	(45)	(43)
Purchase accounting adjustments ¹	(43)	(39)
Impairment of goodwill	860	-
Transition and business optimization costs and other	1	25
Adjusted EBITDA	1,315	1,339

¹ Purchase accounting adjustments consist of amounts related to the accretion of an adjustment (discount) to regulatory assets resulting from purchase accounting

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