

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME

(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended	
	March 31,	
	2019	2018
Revenues:		
Revenues, net	\$ 570	\$ 495
Alternative revenue programs, net of amortization	3	(2)
Total revenues	<u>573</u>	<u>493</u>
Operating expenses:		
Purchased power and fuel	179	130
Generation, transmission and distribution	77	69
Administrative and other	71	69
Depreciation and amortization	101	92
Taxes other than income taxes	34	33
Total operating expenses	<u>462</u>	<u>393</u>
Income from operations	111	100
Interest expense, net	32	31
Other income:		
Allowance for equity funds used during construction	3	4
Miscellaneous income (expense), net	2	(1)
Other income, net	5	3
Income before income tax expense	84	72
Income tax expense	11	8
Net income	73	64
Other comprehensive income	1	—
Comprehensive income	\$ 74	\$ 64
Weighted-average common shares outstanding—basic and diluted (in thousands)	<u>89,309</u>	<u>89,160</u>
Earnings per share—basic and diluted	<u>\$ 0.82</u>	<u>\$ 0.72</u>

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in millions)
(Unaudited)

	March 31, 2019	December 31, 2018
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 89	\$ 119
Accounts receivable, net	226	193
Unbilled revenues	71	96
Inventories	81	84
Regulatory assets—current	21	61
Other current assets	108	90
Total current assets	596	643
Electric utility plant, net	6,747	6,887
Regulatory assets—noncurrent	380	401
Nuclear decommissioning trust	46	42
Non-qualified benefit plan trust	37	36
Other noncurrent assets	142	101
Total assets	\$ 7,948	\$ 8,110

	March 31, 2019	December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 136	\$ 168
Liabilities from price risk management activities—current	32	55
Current portion of long-term debt	300	300
Accrued expenses and other current liabilities	263	268
Total current liabilities	731	791
Long-term debt, net of current portion	2,178	2,178
Regulatory liabilities—noncurrent	1,356	1,355
Deferred income taxes	380	369
Unfunded status of pension and postretirement plans	309	307
Liabilities from price risk management activities—noncurrent	78	101
Asset retirement obligations	198	197
Non-qualified benefit plan liabilities	103	103
Other noncurrent liabilities	67	203
Total liabilities	5,400	5,604
Commitments and contingencies (see notes)		
Shareholders' Equity:		
Preferred stock, no par value, 30,000,000 shares authorized; none issued and outstanding as of March 31, 2019 and December 31, 2018	—	—
Common stock, no par value, 160,000,000 shares authorized; 89,356,311 and 89,267,959 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	1,212	1,212
Accumulated other comprehensive loss	(8)	(7)
Retained earnings	1,344	1,301
Total shareholders' equity	2,548	2,506
Total liabilities and shareholders' equity	\$ 7,948	\$ 8,110

PORTLAND GENERAL ELECTRIC COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)
(Unaudited)

	Three Months Ended March 31,	
	2019	2018
Cash flows from operating activities:		
Net income	\$ 73	\$ 64
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	101	92
Deferred income taxes	9	6
Pension and other postretirement benefits	6	6
Allowance for equity funds used during construction	(3)	(4)
Decoupling mechanism deferrals, net of amortization	(4)	3
(Amortization) Deferral of net benefits due to Tax Reform	(5)	15
Other non-cash income and expenses, net	10	4
Changes in working capital:		
(Increase) decrease in accounts receivable and unbilled revenues	(1)	45
Decrease (increase) in inventories	3	(2)
Decrease (increase) in margin deposits, net	1	(6)
(Decrease) in accounts payable and accrued liabilities	(13)	(17)
Other working capital items, net	(12)	(5)
Other, net	(9)	(7)
Net cash provided by operating activities	156	194
Cash flows from investing activities:		
Capital expenditures	(150)	(131)
Sales of Nuclear decommissioning trust securities	4	3
Purchases of Nuclear decommissioning trust securities	(2)	(3)
Other, net	(3)	1
Net cash used in investing activities	(151)	(130)
Cash flows from financing activities:		
Dividends paid	(32)	(30)
Other	(3)	(3)
Net cash used in financing activities	(35)	(33)
(Decrease) increase in cash and cash equivalents	(30)	31
Cash and cash equivalents, beginning of period	119	39
Cash and cash equivalents, end of period	\$ 89	\$ 70
Supplemental cash flow information is as follows:		
Cash paid for interest, net of amounts capitalized	\$ 13	\$ 13