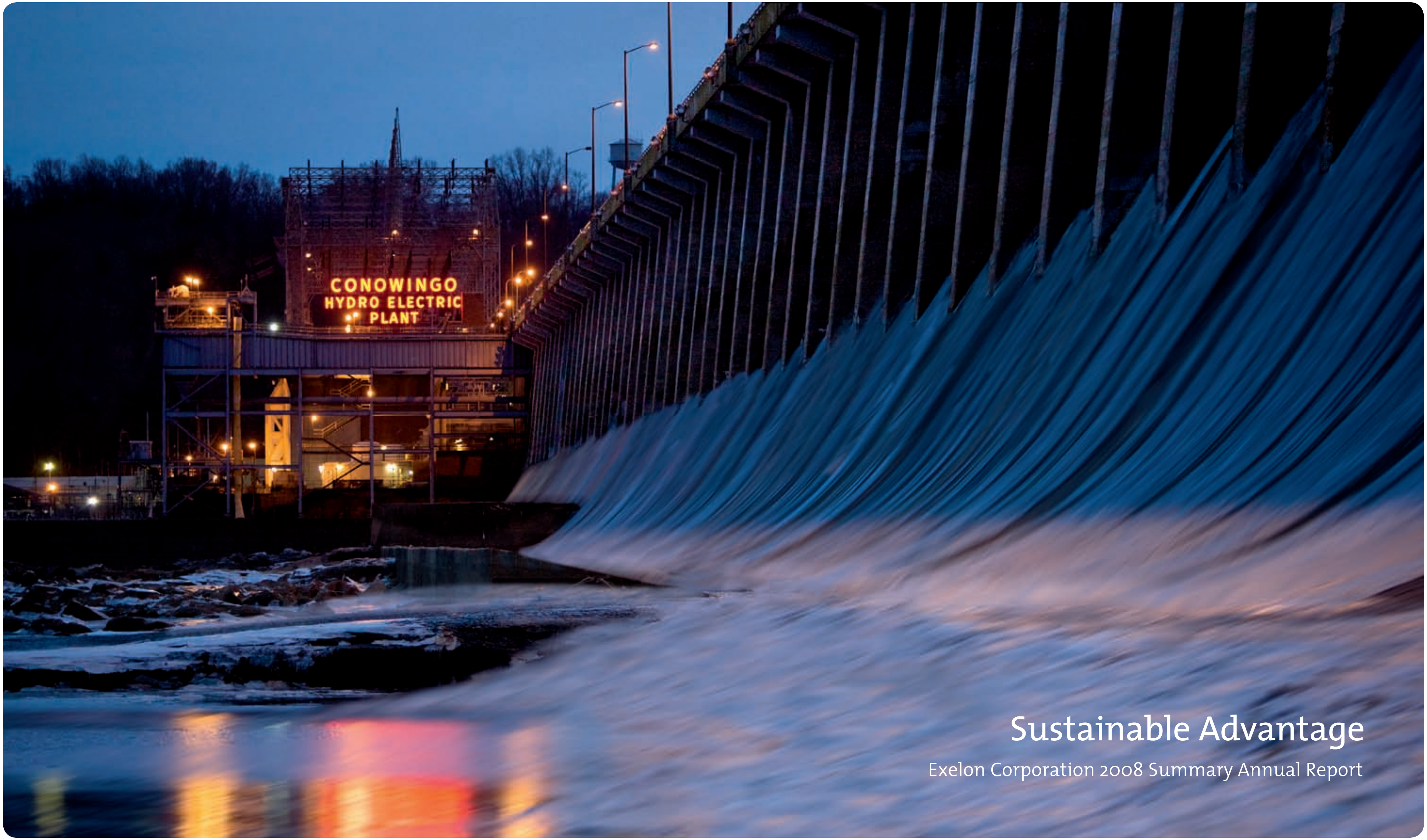


Sustainable Advantage

Exelon Corporation 2008 Summary Annual Report

On the cover: Located on the Susquehanna River in northern Maryland, Conowingo is a "run of the river" hydroelectric plant that has been providing electric power to the regional system since 1928. Over time, the station has been expanded from seven to 11 turbines and today provides more than 500 MW of clean energy.

Forward-Looking Statements This report includes forward-looking statements including, for example, statements regarding benefits of the proposed merger, integration plans and expected synergies. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein. The factors that could cause actual results to differ materially from these forward-looking statements include Exelon's ability to achieve the synergies contemplated by the proposed transaction, Exelon's ability to promptly and effectively integrate the businesses of NRG and Exelon, and the timing to consummate the proposed transaction and obtain required regulatory approvals as well as those discussed in (1) Exelon's preliminary prospectus/offer to exchange that is contained in the Registration Statement on Form S-4, Reg. No. 333-155278, that Exelon has filed with the SEC in connection with the Offer; (2) Exelon's 2008 Annual Report on Form 10-K in (a) ITEM 1A. Risk Factors, (b) ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) ITEM 8. Financial Statements and Supplementary Data: Note 18; and (3) other factors discussed in Exelon's filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this report. Exelon does not undertake any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this report, except as required by law.

Statements made in connection with the exchange offer are not subject to the safe harbor protections provided to forward-looking statements under the Private Securities Litigation Reform Act of 1995.

Thomas Edison once said, “Discontent is the first necessity of progress”

Let us hope he was right, for there is great discontent in the world today

The question is whether that discontent will push us forward, or push us backward

To me, the answer with respect to energy policy is self-evident – we must push forward

> We must admit the clear and present danger of climate change
> We must seize any opportunity to improve our energy efficiency
> We must pursue renewables and clean coal, ever mindful of the cost
> We must build the next generation nuclear fleet
> And we must never abandon the discipline and innovative drive of competitive markets

John W. Rowe / October 6, 2008

To Our Shareholders

2008 was an extraordinary year. We witnessed tremendous turmoil in the financial and commodities markets, twin storms that capsized some of our economy's most venerable financial firms and nearly did the same to several companies in our industry. Exelon did not go unscathed, nor did we falter.

John W. Rowe
Chairman and Chief Executive Officer

We remain one of the best run and most profitable companies in our industry. We have the best low-cost, low-carbon generation fleet in the country, which we operate with world-class efficiency. We still enjoy industry-leading scope and scale, a strong balance sheet and outstanding expertise in managing our many risks. And we adhere to our Vision to be the best group of electric generation and electric and gas delivery companies in the United States.

SUSTAINABLE VALUE

Last year we titled our Annual Report 'Sustainable Value,' a play on words reflecting not only our strong environmental performance and low-carbon generating fleet, but also our consistent record of operating and financial performance. While 2008 tested that claim, the year demonstrated yet again that we can deliver sustainable value.

Exelon recorded operating (non-GAAP) earnings* of $4.20 per share for the year, comfortably within our earnings guidance. While less than the $4.32 per share we delivered in 2007, on average Exelon's operating earnings have grown by more than 10 percent per year since the PECO-Unicom merger in 2000. Our 2008 GAAP earnings were $4.13 per share, up from $4.05 in 2007.

Our stock price was not immune to the precipitous decline in the overall market during the final months of 2008. After six consecutive years of increases, our Dec. 31, 2008, closing price of $55.61 reflected nearly a 32 percent decline from the year-end 2007 closing price of $81.64. Our performance was slightly better than that of the S&P 500, which dropped 38 percent, but slightly worse than that of the Philadelphia Utility Index, which declined 30 percent. Nevertheless, Exelon remains the most highly valued company in the industry. Our year-end market capitalization of $36.6 billion was $10 billion more than our next largest competitor. Our total return since 2000 remains outstanding; your investment has increased by 139 percent, compared to 47 percent for the Philadelphia Utility Index, and a negative 26 percent for the S&P 500.

Make no mistake. We are not pleased with the closing price of our stock in 2008. But we are proud of our long-term performance, and we are determined to build upon that record in the years ahead.

*For a reconciliation of adjusted (non-GAAP) operating earnings to GAAP (accounting principles generally accepted in the United States) see Exelon's fourth quarter earnings release issued Jan. 22, 2009, posted on the investor relations page at *www.exeloncorp.com* and included in the 8-K filed with the SEC on that date.

Our accomplishments, financial and otherwise, continue to be noticed. We were again named one of America's "Most Admired Companies" by *Fortune* magazine, and we moved from second to first among electric and gas utilities. For the third year, we were named to the Dow Jones Sustainability North America Index. We were again named by *BusinessWeek* as one of the "Best Places to Launch a Career." Our "Energy for the Community" program was honored by VolunteerMatch as the Corporate Volunteer Program of the Year. Highlighting our commitment to diversity, *U.S. Black Engineer & Information Technology Magazine* named ComEd Chairman and CEO Frank Clark and two other ComEd executives to its annual list of the 100 Most Important Blacks in Technology. And I was personally gratified to be recognized by the Edison Electric Institute with its inaugural Distinguished Leadership Award in recognition of my 25 years as a CEO in this industry.

Our success is attributable to the hard work of and collaboration between the Exelon management team and our employees. Indicative of this collaboration was the five-year agreement we reached with Illinois Brotherhood of Electrical Workers Local 15, our largest union, which was the product of great effort from John Samolis and our labor relations group. Throughout 2008, our management and employees worked hard and remained focused on our Vision. I applaud their dedication and effort.

Our Vision remains sound, our company remains rock solid and our commitment to you is unwavering.

SUSTAINABLE OPERATIONAL EXCELLENCE

Central to our continuing success is the operating excellence of Exelon Generation. In 2008, our nuclear fleet turned in another outstanding performance despite an increased number of scheduled refueling outages. The fleet, led by Chris Crane and Chip Pardee, had an overall capacity factor of 93.9 percent. This was the sixth straight year our capacity factor exceeded 93 percent. Our fleet completed the summer period with no outages for the first time in the company's history and set a new record for summer capacity factor (98.6 percent). Our nuclear operations are truly world-class.

Our fossil and renewable operations, led by Mark Schiavoni and Doyle Beneby, also performed well. While we faced maintenance challenges at Eddystone early in the year, our fossil fleet had the best summer commercial availability factor in five years (94.8 percent). We also commenced operations at the Exelon-Epuron Solar Energy Center, from which we will purchase power for 20 years. The center is the nation's fifth largest solar photovoltaic generation project and the largest on the East Coast. This agreement and our continued investment in wind reinforce our efforts to become even greener in our generation business.

Our power marketing team again made the most of Generation’s outstanding performance. The benefit of a hardheaded approach to risk management has never been more evident. Power Team’s hedging efforts were instrumental in securing our earnings and cash flow in this most volatile of years. We owe much to Ian McLean, Ken Cornew, Joe Glace and their experienced team for their conservative stewardship.

Our delivery companies kept the lights on and the gas flowing. The death of ComEd’s Alex Collazo after an underground contact accident reminds us how dangerous this work is and the importance of safety for our employees and customers. While our outage frequency and customer satisfaction statistics improved, outage duration performance was less impressive, in part because of a difficult summer storm season. In June, PECO faced several days of extraordinary heat and humidity that resulted in the fifth highest electric demand in the company’s history. This stretch was immediately followed by a violent storm resulting in outages affecting more than 150,000 customers. Thanks to Denis O’Brien’s leadership and the efforts of hundreds of crews, over 82,000 customers were restored within 10 hours. Similarly, in August, ComEd experienced the second largest storm of the past 10 years. High winds, more than 85,000 lightning strikes and numerous tornadoes resulted in 520,000 customers losing power. Yet despite the severity of the storm, ComEd teams restored 87 percent of customers within 24 hours, and 98 percent within 48 hours. Frank Clark, Barry Mitchell and many dedicated employees who labored around the clock deserve enormous credit.

Our delivery companies also made steady financial progress. PECO secured a fair outcome in its first gas delivery rate case since 1988. The Pennsylvania Public Utilities Commission unanimously approved an annual rate increase of $77 million that will help fund both assistance to low-income consumers and $280 million of system investments over the next five years. In September, the Illinois Commerce Commission awarded ComEd a $274 million revenue increase for electric delivery service. The ruling will enable ComEd to continue to underwrite infrastructure improvements and advance efforts to develop Smart Grid technologies. Anne Pramaggiore and her team have begun the long process of restoring ComEd to financial health.

Our finance group, under the leadership of Ian McLean and Matt Hilzinger, again delivered the financial discipline you have come to expect. Following on our $1.25 billion share repurchase in February of 2007, we executed a $500 million share repurchase in accordance with our Value Return policy. We also increased our dividend to $2.10 annualized, reinforcing our belief in the sustainability of our financial and operating performance. We issued or refinanced more than $2.2 billion of long-term debt at very attractive rates. Our decision in 2006 to secure credit facilities of more than $7 billion proved invaluable in a year marked by record commodity prices and the failures and near-failures of numerous lenders and counterparties.

Finally, our Business Services Company continued to provide best-in-class professional services at exceptional value to Exelon's operating companies. Ruth Ann Gillis and her group deserve great credit for their accomplishments, particularly our initiative to reduce energy consumption by 25 percent across our facilities and leading the Electric Utility Industry Sustainable Supply Chain Alliance, which is committed to improving the environmental performance of electric utility suppliers.

SUSTAINABLE ADVANTAGE

Despite the challenges of 2008, we made substantial progress in turning our sustainable value into a sustainable advantage. In July, we unveiled *Exelon 2020: a low-carbon roadmap*. Exelon 2020 is our comprehensive plan to reduce, displace or offset 15 million metric tons of greenhouse gas (GHG) emissions – an amount greater than our current annual carbon footprint – each year by 2020. The principles of the plan are those that I outlined in this space last year: reduce our own GHG emissions, help our customers reduce their GHG emissions and reduce the overall GHG emissions in the markets in which we operate. This is a goal uniquely possible for us because 80 percent of our output comes from nuclear power. But this is not a plan we concocted to get good PR. It is a resource plan for combating climate change, and a blueprint on how to leverage our current value into a sustainable advantage for years into the future.

In October, we announced our intention to acquire NRG. We have looked at this transaction from many perspectives and under many scenarios. Our analysis shows that the combined company would bring enhanced size, scale and scope, in addition to improved diversity in geography and regulatory environments. It would create a new model for independent generation, one better able to survive the booms and busts in economic and commodity cycles. More importantly, it would create real and immediate value for investors in both Exelon and NRG.

But it will not be easy. The unwillingness of NRG's management to discuss a merger at a reasonable price made it necessary for us to take our offer directly to their shareholders. It is our hope that NRG's management will be willing to discuss a merger and this transaction will become friendlier than it now appears. But if not, we are prepared to take our case to NRG's annual shareholder meeting and take the steps necessary to elect new, independent directors. We believe our proposition is compelling, and the fact that almost 46 percent of NRG's shareholders tendered their shares at the initial January expiration date offers independent corroboration. I am under no illusions about the difficulty of completing a transaction such as this. But we are committed to rigorously pursue all opportunities to grow your value.

SUSTAINABLE FUTURE

Undoubtedly, we will face continuing challenges in 2009. With a new administration and many new members of Congress, we believe there will be a serious effort to address climate change. As in all things, however, the devil will be in the details. If the administration works to pass a carefully crafted mandatory national program, either a cap and trade system with a cost containment mechanism or a modest tax, there is reason to believe that we can begin to address climate change without disrupting our industry or the broader economy. If the administration elects to rely solely on subsidies and mandates to promote renewable development, however, customers will likely pay too much for too little benefit. Betsy Moler and her team will have to redouble their efforts to work with policymakers so the resulting legislation accomplishes its stated objectives.

On a separate front, post-mortems of the recent failure of the financial system will undoubtedly lead to calls for closer regulation. Some will seek to dismantle competitive markets in our industry, despite the fact that those markets have undeniably delivered increased operational and economic efficiency. The challenge will be particularly acute in Pennsylvania as we complete the transition to competitive markets. We remain convinced that competition is in the best interest of our shareholders and our customers, and we will be vigilant in our protection of those principles. All of this will unfold against the backdrop of a weakened and uncertain economic outlook, pressuring the costs of our operations and benefits upwards and the demand for our product downwards.

2008 has been a challenging and sobering year. In this space two years ago, I noted my belief that Exelon has "the best platform for confronting an uncertain future." These words are enduring. We have a generation business well positioned to make money in any market and economic environment, stable and improving delivery businesses and the balance sheet and financial discipline to see us through difficult times. The sustainability of these advantages manifested itself in 2008. Your board, my management team and I are committed to preserving and enhancing those advantages to ensure that we protect and grow the value of your investment through an equally uncertain 2009.

Our Vision remains sound, our company remains rock solid and our commitment to you is unwavering.

John W. Rowe
Chairman and Chief Executive Officer
Exelon Corporation
March 6, 2009

Our Vision

Exelon will be the best group of electric generation and electric and gas delivery companies in the United States – providing superior value for our customers, employees, investors and the communities we serve.

our goals

> Keep the lights on and the gas flowing

> Run the nuclear fleet at world-class levels

> Capitalize on environmental leadership and clean nuclear energy

> Create a challenging and rewarding workplace

> Enhance the value of our generation

> Build value through disciplined financial management

our values

Safety – for our employees, our customers and our communities

Integrity – the highest ethical standards in what we say and what we do

Diversity – in ethnicity, gender, experience and thought

Respect – trust and teamwork through open and honest communication

Accountability – for our commitments, actions and results

Continuous improvement – stretch goals and measured results

Exelon's Chicago headquarters are located in Chase Tower. The 10 floors occupied by Exelon represent the world's largest Leadership in Energy and Environmental Design (LEED) Platinum-certified commercial interior space. Building to LEED specifications is just one of the many ways Exelon leads our industry in environmental issues.

ComEd's West Loop station was completed and brought on-line in 2008. The eight-year, $350 million initiative provides Chicago substations with multiple sources of energy supply – substantially reducing the likelihood of a significant loss of power downtown and in the surrounding Chicago neighborhoods.

Our Financial Advantage

Exelon's leadership position in the electric and gas utility industry is made possible by industry-leading financial discipline, cash flow and risk management practices

With the decline in the price of natural gas, we have seen power prices in the PJM and Electric Reliability Council of Texas (ERCOT) markets fall. Thanks to our hedging strategy and the expertise of Power Team, we are largely insulated from wild swings in gas prices for the next several years.

Exelon has one of the largest, most diverse bank groups in the industry, providing the company with more than $7 billion in liquidity.

The combination of our conservative financial and risk management strategies gives us the strength and flexibility to enhance the value of your company – including through continued investment in our generation, transmission and distribution capabilities and our pursuit of NRG. And we are committed to returning that value to you, as we did in 2008 through our $500 million share repurchase and dividend increase.

Our Operating Advantage

Our superior operating performance allowed us to again keep the lights on and the gas flowing.

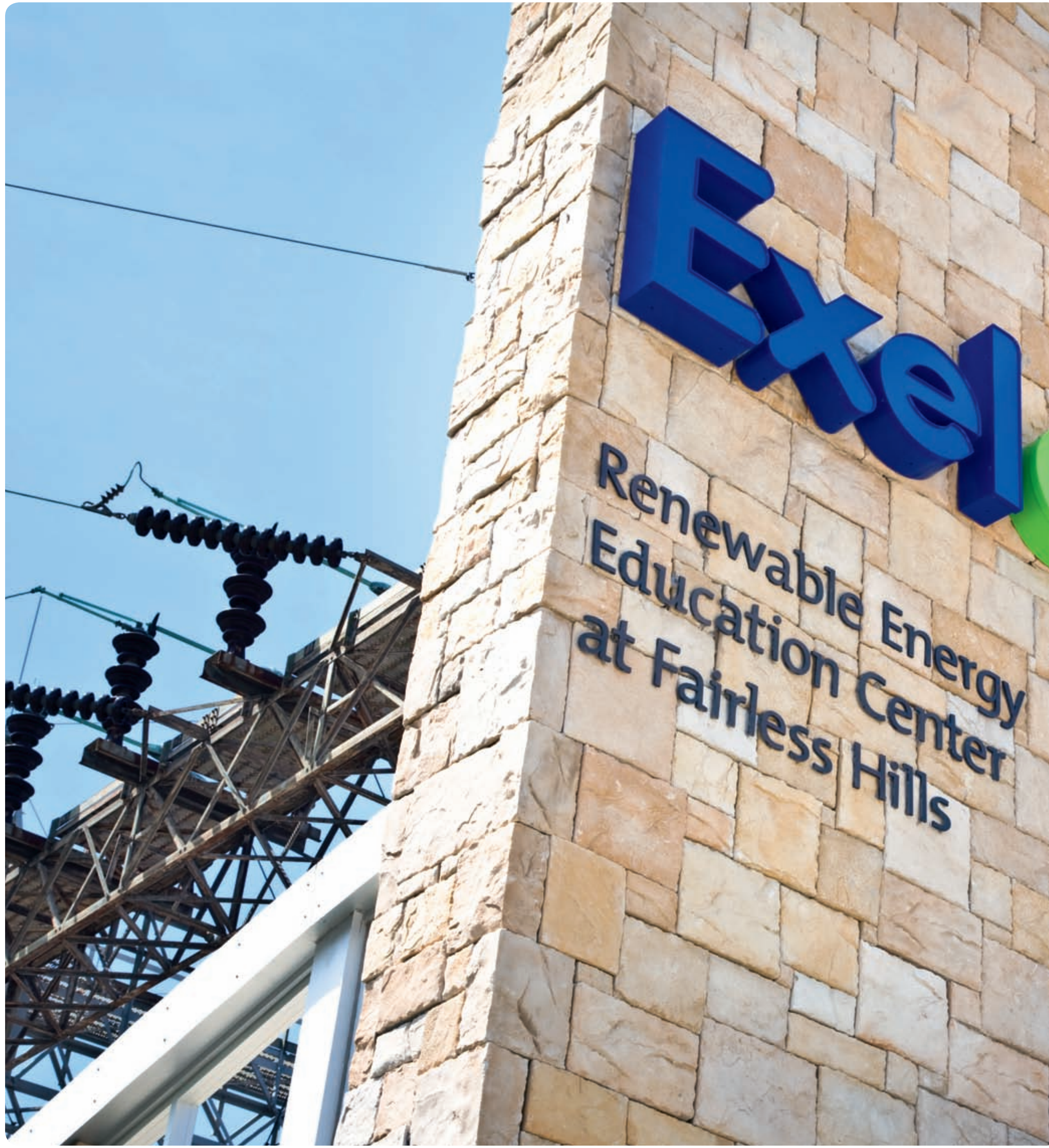
In Generation, our well-planned and executed outages again led to world-class capacity factors. Our employees and contractors completed thousands of painstakingly planned tasks, from small adjustments to valves and pipes to replacement of low-pressure turbines and generators, to ensure continued safe, efficient, economical power generation.

PECO is making system enhancements to its gas distribution system, such as pipe replacement and using enhanced line-loss detection equipment to decrease methane leakage. PECO's successful rate case will allow for further investment.

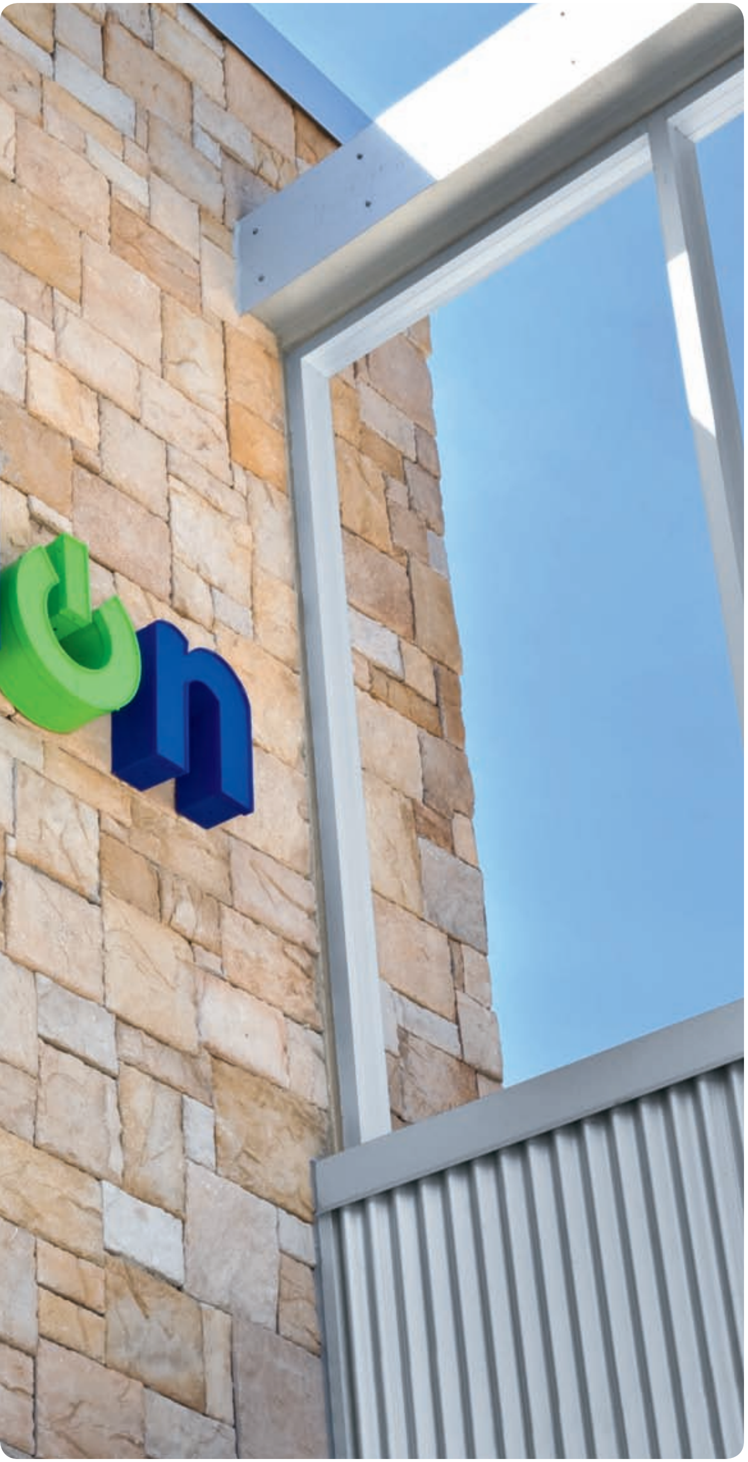
ComEd in June 2008, opened a state-of-the-art substation in Chicago's West Loop, an eight-year, $350 million project providing Chicago substations multiple sources of supply that substantially reduce the likelihood of a significant loss of power downtown and in Chicago neighborhoods.

Exelon Business Services Company, through our Commercial Operations Group, is migrating to paperless invoicing and payments with our thousands of vendors, taking time and cost out of the system and improving our environmental performance.

Eddystone Generating Station is a four-unit facility located on the Delaware River in Eddystone, Pa. In 2008, Eddystone underwent Exelon Power's largest planned maintenance outage in recent history, completing 3,600 tasks in less than two months.



Fairless Hills Generating Station, located in Bucks County, Pa. , opened the Renewable Energy Education Center in 2008. The purpose of the education center is to provide the public – mostly school children – with demonstrations of sustainable technologies for power generation. The center was built to LEED standards and in 2008 was awarded LEED-Silver certification.



Our Environmental Advantage

Each of the Exelon companies is wholly committed to Exelon 2020, our comprehensive approach to climate change.

In Generation, a new service building at the Clinton Power Station and the Renewable Energy Education Center at Fairless Hills are expected to earn LEED-Silver certification from the U.S. Green Building Council in 2009. Generation also has identified the potential for approximately 350 MW of capacity uprates that can reduce annual CO_2 emissions by 2 million metric tons.

ComEd and PECO are working on efforts to reduce the negative impact of sulfur hexafluoride, an environmentally harmful insulating gas used in transformers, by more aggressively detecting leaks and replacing equipment. Our utilities are also incorporating more alternatively-fueled vehicles into their fleets.

Exelon Business Services Company is leading the way in our efforts to green our operations. From our facilities to our data centers and desktop equipment, from our vehicle fleets to publications like this one, we are reducing our own internal energy consumption with higher standards for ourselves and our suppliers.

Our Human Advantage

Our people drive the successes of Exelon, both inside and outside the company.

In the fall, Exelon's top executives developed and launched an enhanced diversity and inclusion strategy – a stronger, more measurable approach to ensure that we recognize our similarities and embrace our differences. We have made great strides in our diversity efforts; our continued focus will accelerate our progress.

Providing value to our customers and communities remains a high priority and Generation maintains strong relationships with the communities where our plants are located, lending a hand with funds, services and time. Company-wide, our employees tracked more than 35,000 hours of volunteer time in 2008, earning Exelon the 2008 Corporate Volunteer Program of the Year award from VolunteerMatch.

ComEd and PECO energy-efficiency programs have saved customers millions of dollars in energy costs. ComEd's Smart Ideas for Your Home has already helped customers save more than $44 million by recycling more than 5,000 refrigerators, freezers and window air conditioners and purchasing more than 1.8 million compact fluorescent bulbs.

Boathouse Row in Philadelphia is beautifully lit by PECO-provided, energy-efficient LED lights. Another Philadelphia landmark, the Crown Lights of PECO's main office building, went dark on Dec. 31, 2008. The Crown Lights are being replaced with LED lights and will turn back on as part of the city's July 4, 2009, celebration.

Exelon at a Glance

COMED

The Illinois Commerce Commission (ICC) approved a $274 million rate increase effective Sept. 16, 2008. ComEd requested this increase in response to higher costs to modernize and maintain system reliability. The ICC also established a limited Advanced Metering Infrastructure pilot and a workshop process to explore Smart Grid technologies. Implementing new technologies and equipment will dramatically change the nature of service to customers and empower them to make wiser energy choices, which can lead to lower bills and a reduced carbon footprint.

ComEd completed the West Loop Project, the largest Transmission & Distribution project it has ever undertaken. This project improves reliability by expanding the transmission system in Chicago's central business district, transforming it from a radial to a state-of-the-art network system.

Enhanced reliability, consistent service and new business initiatives are paying off. The year-end Customer Satisfaction Index score of 79.2 was 4.4 percent above the 2007 score.

ComEd faced significant storm activity in August, which affected nearly 520,000 customers. ComEd crews restored service to 98 percent of customers within 48 hours.

ComEd expanded its energy efficiency initiatives through a three-year portfolio of programs called Smart Ideas™. The programs are expected to yield more than $155 million in savings to customers and could result in significantly reduced carbon emissions.

ComEd earned International Standardization Organization (ISO) 14001 certification for its Environmental Management System. This certification, recognized as the gold standard across industries, further solidifies ComEd's commitment to and example of environmental leadership.

ComEd and its nearly 5,600 employees are responsible for maintaining more than 78,000 miles of power lines that make up the electric transmission and distribution systems in Northern Illinois. ComEd also provides customer operations for more than 3.8 million customers across the region, or 70 percent of the state's population

PECO

2008 saw PECO achieve top decile industry rating in safety, a 17-percent improvement in employee engagement and its highest-ever non-storm reliability rating – all the result of the company's culture of continuous improvement.

PECO in 2008 invested a record $397 million in its capital plan, a 13 percent increase over the year before, to further increase reliability in electric and natural gas systems throughout the region. This included the christening of a $22 million substation serving industrial, business and residential customers in the South Philadelphia area.

PECO built on its community partnerships, donating $500,000 to the African-American Museum in Philadelphia, working with Radio Disney to bring electrical safety messages to school children, and building, in a single day with more than 200 PECO volunteers working in torrential downpours, a community playground near Collegeville, Pa., in the name of fallen PECO lineman Michael J. Killian.

The company also continued on its quest to become greener by starting construction of a "green roof" at the main office building, building an energy-efficient service building in West Chester, Pa., and forming a partnership with ENERGY STAR®, promoting energy-efficient appliances to its customers. PECO also attained the ISO 14001 certification for its environmental management system, and switched its entire diesel-vehicle fleet over to bio-diesel fuel. All of these initiatives tie in with Exelon's overall efforts to reduce greenhouse gas emissions – Exelon 2020: A Low-Carbon Roadmap.

PECO and its approximately 2,400 employees serve nearly 1.6 million electric customers and 485,000 natural gas customers in a combined service territory of approximately 2,100 square miles. PECO's electric distribution system includes close to 13,000 circuit miles of overhead lines and more than 15,000 cable miles of underground line. PECO's natural gas distribution system includes 29 gate stations and nearly 13,000 miles of pipeline. PECO delivered 83.7 billion cubic feet of natural gas and 39.4 billion kilowatt-hours of electricity in 2008.

EXELON GENERATION

Exelon Nuclear

Exelon Nuclear, the nation's largest operator of commercial nuclear reactors, continued to perform at world-class levels in 2008 as highlighted by its best year ever in safety performance, which included the lowering of the fleet's total industrial safety accident rate by 25 percent. Exelon Nuclear's 10 generating stations and 17 reactors in the Midwest and Mid-Atlantic* regions achieved an average capacity factor of 93.9 percent in 2008, the sixth consecutive year our capacity factor exceeded 93 percent, and produced about 131.9 million megawatt-hours of electricity, enough power to steadily supply approximately 15 million modern U.S. homes.

The fleet also achieved its best overall summer performance on record, achieving a combined 98.6 percent capacity factor, and set new company standards for OSHA Recordable, Industrial Safety and on-line performance during the three-month summer period. The company's 8,500 nuclear professionals also implemented industry best practices to ensure safe, reliable operation throughout the fleet, earning numerous industry awards and recognition for their efforts.

Additionally, the company took full control of the security forces protecting its nuclear facilities – hiring about 1,500 nuclear security employees in 2008; filed its first ever Combined Construction and Operating License application with the U.S. Nuclear Regulatory Commission (NRC) to potentially build and operate a new dual unit nuclear generating facility in Victoria County, Texas; and filed for a 20-year license extension with the NRC for its reactor facility at Three Mile Island Unit 1 in Pennsylvania. Exelon Nuclear expects a decision on the relicensing of the Oyster Creek Station in New Jersey in 2009.

Exelon Power

Exelon Power's fleet of fossil and hydroelectric units in Illinois, Maryland, Massachusetts, Pennsylvania and Texas provided nearly 11 million megawatt hours of reliable generation in 2008. With 105 units at 23 different sites, Exelon Power can provide almost 8,000 megawatts of safe, efficient and environmentally responsible base load, intermediate and peak power generation. Over the past few years, Exelon Power has made great strides in optimizing the performance of its units and maintenance programs while continuing to perform safely to provide the company with the right power, at the right time, and at the right price.

Exelon Power Team

Exelon Power Team is the power marketing division of Exelon. Its role is to manage the risk and maximize the economic value associated with Exelon's electric generating facilities, power purchase agreements, fuel requirements, emission credits, transmission contracts and load obligations. Power Team's wholesale marketing and transaction efforts are focused on the competitive electricity markets in several regions of the United States: the Mid-Atlantic, the Midwest, the Northeast, the Southwest and Texas. Power Team's trade floor and headquarters are located in Kennett Square, Pa.

Exelon Energy markets electricity and natural gas to retail customers in the Midwest. Exelon Energy has offices in Illinois, Ohio and Pennsylvania.

EXELON BUSINESS SERVICES COMPANY

Exelon Business Services Company (EBSC) is a direct, wholly-owned subsidiary of Exelon Corporation that serves as a strategic partner to provide quality products and services at the lowest cost for all Exelon companies. EBSC practice areas include Communications, Corporate Strategy, Finance, Government and Environmental Affairs and Public Policy, Human Resources, Information Technology (IT), Legal and Corporate Governance, Real Estate, Supply, Operational Governance and Quality Control and Commercial Operations such as accounts payable and payroll.

EBSC has approximately 1,700 employees in northern Illinois, Pennsylvania and at virtually every Exelon business location, delivering value by providing cost and operating efficiencies, high-quality service and developing enterprise-wide and organization-specific solutions.

In 2008, EBSC improved its overall performance and service levels, including IT service reliability and client satisfaction. In addition, EBSC helped launch green initiatives in support of Exelon 2020, notably programs to reduce energy consumption by 25 percent across our facilities by the end of 2012 and leadership of the Electric Utility Industry Sustainable Supply Chain Alliance. Importantly, the Diverse Business Enablement program directed $455 million of Exelon's spend on materials and services to minority- and women-owned business enterprises.

*Excluding the Salem Nuclear Generating Station in New Jersey, which is operated by PSEG Nuclear, LLC.

Executive Committee

John W. Rowe
Chairman and
Chief Executive Officer

Frank M. Clark
Chairman and CEO,
ComEd

Christopher M. Crane
President and Chief Operating Officer,
Exelon and Chief Operating Officer,
Exelon Generation

Ruth Ann M. Gillis
Executive Vice President,
Exelon and President,
Exelon Business Services Company

Ian P. McLean
Executive Vice President,
Finance and Markets,
Exelon

Elizabeth A. Moler
Executive Vice President
Government and Environmental
Affairs and Public Policy,
Exelon

Denis P. O'Brien
Executive Vice President,
Exelon and President and CEO,
PECO

William A. Von Hoene, Jr.
Executive Vice President
and General Counsel,
Exelon

Andrea L. Zopp
Executive Vice President and
Chief Human Resources Officer,
Exelon

Board of Directors

John W. Rowe
Chairman and
Chief Executive Officer

John A. Canning, Jr.
Chairman,
Madison Dearborn Partners, LLC

M. Walter D'Alessio
Vice Chairman,
NorthMarq Capital, Inc.

Nicholas DeBenedictis
Chairman, President
and Chief Executive Officer,
Aqua America, Inc.

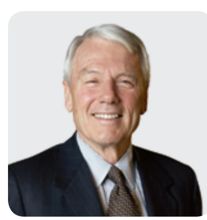
Bruce DeMars
Admiral (Retired),
United States Navy

Nelson A. Diaz
Of Counsel,
Cozen O'Connor

Sue L. Gin
Chairman and
Chief Executive Officer,
Flying Food Group, LLC

Rosemarie B. Greco
Senior Adviser to the
Governor of Pennsylvania,
Health Care Reform

Paul L. Joskow
President,
Alfred P. Sloan Foundation



John M. Palms, Ph.D.
Distinguished President Emeritus,
University of South Carolina

William C. Richardson, Ph.D.
President and
Chief Executive Officer Emeritus,
W. K. Kellogg Foundation

Thomas J. Ridge
Former Secretary,
Department of Homeland Security,
Former Governor of Pennsylvania

John W. Rogers, Jr.
Ariel Investments, LLC

Stephen D. Steinour
Chairman, President and
Chief Executive Officer,
Huntington Bancshares Incorporated

Don Thompson
President,
McDonald's USA

*Richard W. Mies, Admiral (Retired) United States Navy, joined the Exelon Board February 2009

Financial Section

in millions, except for per share data	For the Years Ended December 31, 2008	2007	2006	2005	2004
Statement of Operations data:					
Operating revenues	$ 18,859	$ 18,916	$ 15,655	$ 15,357	$ 14,133
Operating income	5,299	4,668	3,521	2,724	3,499
Income from continuing operations	$ 2,717	$ 2,726	$ 1,590	$ 951	$ 1,870
Income (loss) from discontinued operations	20	10	2	14	(29)
Income before cumulative effect of changes in accounting principles	2,737	2,736	1,592	965	1,841
Cumulative effect of changes in accounting principles (net of income taxes)	–	–	–	(42)	23
Net income [a]	$ 2,737	$ 2,736	$ 1,592	$ 923	$ 1,864
Earnings per average common share (diluted):					
Income from continuing operations	$ 4.10	$ 4.03	$ 2.35	$ 1.40	$ 2.79
Income (loss) from discontinued operations	0.03	0.02	–	0.02	(0.04)
Cumulative effect of changes in accounting principles (net of income taxes)	–	–	–	(0.06)	0.03
Net income	$ 4.13	$ 4.05	$ 2.35	$ 1.36	$ 2.78
Dividends per common share	$ 2.03	$ 1.76	$ 1.60	$ 1.60	$ 1.26
Average shares of common stock outstanding – diluted	662	676	676	676	669

(a) The changes between 2007 and 2006; 2006 and 2005; and 2005 and 2004 were primarily due to the impact of the goodwill impairment charges of $776 million and $1.2 billion in 2006 and 2005, respectively.

in millions	December 31, 2008	2007[b]	2006[b]	2005[b]	2004[b]
Balance Sheet data:					
Current assets	$ 5,368	$ 4,580	$ 4,214	$ 3,886	$ 3,578
Property, plant and equipment, net	25,813	24,153	22,775	21,981	21,482
Noncurrent regulatory assets	5,940	5,133	5,808	4,734	5,076
Goodwill [a]	2,625	2,625	2,694	3,475	4,705
Other deferred debits and other assets	8,071	8,870	7,974	7,910	7,748
Total assets	$ 47,817	$ 45,361	$ 43,465	$ 41,986	$ 42,589
Current liabilities	$ 4,080	$ 5,629	$ 4,977	$ 5,839	$ 4,522
Long-term debt, including long-term debt to financing trusts	12,592	11,965	11,911	11,760	12,148
Noncurrent regulatory liabilities	2,520	3,301	3,025	2,518	2,490
Other deferred credits and other liabilities	17,491	14,242	13,458	12,656	13,811
Minority interest	–	–	–	1	42
Preferred securities of subsidiary	87	87	87	87	87
Shareholders' equity	11,047	10,137	10,007	9,125	9,489
Total liabilities and shareholders' equity	$ 47,817	$ 45,361	$ 43,465	$ 41,986	$ 42,589

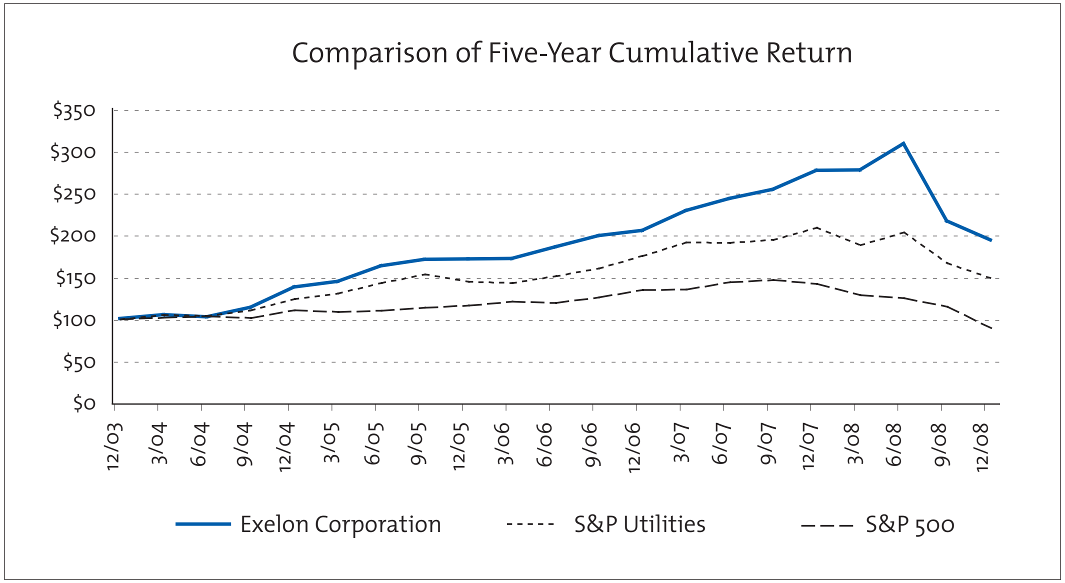
(a) The changes between 2006 and 2005 and between 2005 and 2004 were primarily due to the impact of the goodwill impairment charge of $776 million and $1.2 billion in 2006 and 2005, respectively.

(b) Exelon and Generation retrospectively reclassified certain assets and liabilities in accordance with FIN 39, "Offsetting of Amounts Related to Certain Contracts", as amended by FSP FIN 39-1, "Amendment of FASB Interpretation No.39."

The performance graph below illustrates a five year comparison of cumulative total returns based on an initial investment of $100 in Exelon Corporation common stock, as compared with the Standard & Poor's (S&P) 500 Stock Index and the S&P Utility Index for the period 2004 through 2008.

This performance chart assumes:

- $100 invested on December 31, 2003 in Exelon Corporation common stock, in the S&P 500 Stock Index and in the S&P Utility Index; and
- All dividends are reinvested.



	Value of Investment at December 31,					
	2003	2004	2005	2006	2007	2008
Exelon Corporation	$ 100.00	$ 137.35	$ 170.89	$ 204.60	$ 276.34	$ 193.78
S&P 500	100.00	110.84	116.27	134.60	141.98	89.53
S&P Utilities	100.00	124.24	144.88	175.26	209.14	148.64

Results of Operations

(Dollars in millions, except for per share data, unless otherwise noted)	2008	2007	Favorable (Unfavorable) Variance
Operating revenues	$ 18,859	$ 18,916	$ (57)
Operating expenses			
Purchased power and fuel	6,582	7,642	1,060
Operating and maintenance	4,566	4,289	(277)
Depreciation and amortization	1,634	1,520	(114)
Taxes other than income	778	797	19
Total operating expenses	13,560	14,248	688
Operating income	5,299	4,668	631
Other income and deductions			
Interest expense	(699)	(647)	(52)
Interest expense to affiliates, net	(133)	(203)	70
Equity in losses of unconsolidated affiliates	(26)	(106)	80
Other, net	(407)	460	(867)
Total other income and deductions	(1,265)	(496)	(769)
Income from continuing operations before income taxes	4,034	4,172	(138)
Income taxes	1,317	1,446	129
Income from continuing operations	2,717	2,726	(9)
Income from discontinued operations, net of income taxes	20	10	10
Net income	$ 2,737	$ 2,736	$ 1
Diluted earnings per share	$ 4.13	$ 4.05	$ 0.08

Net Income. Exelon's net income for 2008 was consistent compared to 2007. Increases were primarily due to higher average realized margins at Generation, reflecting higher realized prices on market sales; increased revenue from certain long options in Generation's proprietary trading portfolio; net mark-to-market gains on economic hedging activities; the impact of the settlement reached between Generation, ComEd and other generators and utilities in Illinois, and various representatives from the State of Illinois in 2007 (Illinois Settlement); increased transmission and delivery service revenue at ComEd in 2008 resulting from the 2007 transmission and distribution rate cases; the impact of a 2007 loss associated with Generation's tolling agreement with Georgia Power related to the contract with Tenaska; the impact of a decreased charitable contribution to the Exelon Foundation; and gains related to the settlement of claims related to uranium supply agreements. These increases were offset by unrealized and realized losses associated with Generation's nuclear decommissioning trust funds related to the former AmerGen nuclear generating units and its unregulated portions of the Peach Bottom nuclear generating units (Unregulated Units); increased nuclear fuel costs; decreased nuclear output at Generation reflecting increased scheduled refueling outage days in 2008; increased operating and maintenance expense related to the higher number of planned nuclear refueling outages; unfavorable weather conditions in the ComEd and PECO service territories; increased allowance for uncollectible accounts expense at PECO and ComEd as well as the establishment of a reserve related to Generation's accounts receivable from Lehman Brothers Holdings, Inc. (Lehman); labor-related inflation; increased scheduled competitive transition charges (CTC) amortization expense at PECO; impact of a gain realized in 2007 on nuclear decommissioning trust fund investments related to the Unregulated Units primarily associated with changes in Generation's investment strategy; realized nuclear decommissioning trust fund losses related to a tax planning strategy; the impact of the favorable 2007 PJM Interconnection, LLC (PJM) billing settlement with PPL Electric (PPL); the impact of the termination of Generation's power purchase agreement (PPA) with State Line in 2007; and income associated with investments in synthetic fuel-producing facilities in 2007.

Operating Revenues. Operating revenues decreased due to lower nuclear output due to more planned refueling outage days in 2008; unfavorable weather conditions in the ComEd and PECO service territories; the impact of the Illinois Settlement; the reduction in PECO's distribution rates made to refund the Pennsylvania Public Utility Realty Tax Act (PURTA) tax settlement to customers (completely offset by the amortization of the regulatory liability reflected in taxes other than income); and the impact of the termination of Generation's PPA with State Line in 2007. These decreases were partially offset by higher realized prices on market sales at Generation; increased transmission and delivery service revenue at ComEd resulting from the 2007 transmission and distribution rate cases; increased delivery volumes, excluding the effects of weather, at PECO; and increased revenue from certain long options in Generation's proprietary trading portfolio.

Purchased Power and Fuel Expense. Purchased power and fuel expense decreased due to net mark-to-market gains on economic hedging activities; favorable settlements reached in 2008 related to uranium supply agreements; unfavorable weather conditions in the ComEd and PECO service territories; and the impact of a 2007 loss associated with Generation's tolling agreement with Georgia Power related to a contract with Tenaska. These decreases were partially offset by increased nuclear fuel costs at Generation; increased transmission expense at PECO; and the impact of the favorable PJM billing dispute settlement with PPL in 2007.

Operating and Maintenance Expense. Operating and maintenance expense increased primarily due to increased allowance for uncollectible accounts expense at PECO and ComEd as well as the establishment of a reserve related to Generation's accounts receivable from Lehman; discrete disallowances, net of allowed regulatory assets, mandated by the September 2008 Illinois Commerce Commission (ICC) order in ComEd's 2007 delivery service rate case; labor-related inflation; increased expenses related to a higher number of planned nuclear refueling outages, including planned nuclear refueling outage costs at Salem Generating Station; and decreased nuclear insurance credits accrued by Generation in 2008. These increases are partially offset by a decrease in costs associated with the evaluation and development of a new nuclear generating facility in Texas; decreased charitable contributions to the Exelon Foundation; and decreased stock-based compensation costs.

Depreciation and Amortization Expense. Depreciation and amortization expense increased primarily due to increased scheduled CTC amortization expense at PECO and higher plant balances due to additional plant placed in service across Exelon.

Taxes Other Than Income. Taxes other than income decreased primarily due to an Illinois distribution tax refund received in 2008 and the amortization of the regulatory liability recorded in connection with the 2007 PURTA settlement, which began in January 2008 and is offset by lower revenues due to a reduction in the distribution rates to refund the PURTA taxes to customers. These factors are partially offset by the impact of increased property taxes and payroll taxes.

Other Income and Deductions. The change in other income and deductions primarily reflects unrealized and realized losses on Generation's nuclear decommissioning trust fund investments of its Unregulated Units; the impact of the 2007 gain from sale of Generation's investment in Termoeléctrica del Golfo and Termoeléctrica Peñoles; and the income associated with investments in synthetic fuel-producing facilities that ceased operations at the end of 2007.

Effective Income Tax Rate. The effective income tax rate was 32.6% for 2008 compared to 34.7% for 2007. The 2008 rate decreased, as compared with 2007, primarily due to the impact of higher marginal tax rates applicable to realized and unrealized losses in the nuclear decommissioning trust funds recorded at Generation, partially offset by the expiration of synthetic fuel tax credits under Internal Revenue Code Section 45K on December 31, 2007.

Discontinued Operations. Income from discontinued operations related to expiration of tax indemnifications in connection to a prior investment in Sithe Energies, Inc.

Results of Operations by Business Segment

The comparisons of 2008 and 2007 operating results and other statistical information set forth below include intercompany transactions, which are eliminated in Exelon's consolidated financial statements.

Net Income (Loss) from Continuing Operations by Business Segment

	2008	2007	Favorable (Unfavorable) Variance
Generation	$ 2,258	$ 2,025	$ 233
ComEd	201	165	36
PECO	325	507	(182)
Other [(a)]	(67)	29	(96)
Total	$ 2,717	$ 2,726	$ (9)

(a) Other primarily includes corporate operations, Exelon Business Service Company, LLC (BSC), investments in synthetic fuel-producing facilities and intersegment eliminations.

Net Income (Loss) by Business Segment

	2008	2007	Favorable (Unfavorable) Variance
Generation	$ 2,278	$ 2,029	$ 249
ComEd	201	165	36
PECO	325	507	(182)
Other [(a)]	(67)	35	(102)
Total	$ 2,737	$ 2,736	$ 1

(a) Other primarily includes corporate operations, BSC, investments in synthetic fuel-producing facilities and intersegment eliminations.

Results of Operations – Generation

(Dollars in millions)	2008	2007	Favorable (Unfavorable) Variance
Operating revenues	$ 10,754	$ 10,749	$ 5
Operating expenses			
Purchased power and fuel	3,572	4,451	879
Operating and maintenance	2,717	2,454	(263)
Depreciation and amortization	274	267	(7)
Taxes other than income	197	185	(12)
Total operating expenses	6,760	7,357	597
Operating income	3,994	3,392	602
Other income and deductions			
Interest expense	(136)	(161)	25
Equity in losses of unconsolidated affiliates	(1)	1	(2)
Other, net	(469)	155	(624)
Total other income and deductions	(606)	(5)	(601)
Income from continuing operations before income taxes	3,388	3,387	1
Income taxes	1,130	1,362	232
Income from continuing operations	2,258	2,025	233
Discontinued operations			
Gain on disposal of discontinued operations	20	4	16
Income from discontinued operations	20	4	16
Net income	$ 2,278	$ 2,029	$ 249

Generation's net income increased primarily due to higher operating revenues, net of purchased power and fuel expense, partially offset by higher operating and maintenance expenses and unrealized and realized losses in 2008 and realized gains in 2007 related to nuclear decommissioning trust funds associated with the Unregulated Units. Higher net operating revenues, net of purchased power and fuel expense, reflected higher average realized margins, higher net mark-to-market gains on economic hedging activities, lower costs incurred in conjunction with the Illinois Settlement, a 2007 loss associated with the tolling agreement with Georgia Power related to the contract with Tenaska, increased revenue from certain long options in the proprietary trading portfolio and gains related to the settlement of uranium supply agreements in 2008, partially offset by increased nuclear fuel costs, lower nuclear output reflecting a higher number of scheduled refueling and non-refueling outage days, the gain on the termination of the State Line PPA in 2007, a favorable PJM billing settlement with PPL in 2007 and impairments of stored oil and gas inventory in 2008. Higher operating and maintenance expenses included increased wages, salaries and benefits (excluding stock-based compensation), nuclear refueling outage costs associated with a higher number of planned refueling outages, higher costs associated with nuclear decommissioning-related activities and the establishment of a reserve related to counterparty exposure to Lehman, partially offset by decreases in contractor expenses, stock-based compensation and costs associated with the possible construction of a nuclear power plant in Texas. Additional offsets to increased net income in 2008 included decommissioning trust fund activity associated with the Unregulated Units which reflected unrealized losses in 2008, realized losses related to a tax planning strategy in 2008 and the impact of realized gains in 2007 associated with changes in Generation's investment strategy.

Results of Operations – ComEd

(Dollars in millions)	2008	2007	Favorable (Unfavorable) Variance
Operating revenues	$ 6,136	$ 6,104	$ 32
Purchased power expense	3,582	3,747	165
Revenue net of purchased power expense	2,554	2,357	197
Other operating expenses			
Operating and maintenance	1,125	1,091	(34)
Depreciation and amortization	464	440	(24)
Taxes other than income	298	314	16
Total other operating expenses	1,887	1,845	(42)
Operating income	667	512	155
Other income and deductions			
Interest expense, net	(348)	(318)	(30)
Equity in losses of unconsolidated affiliates	(8)	(7)	(1)
Other, net	18	58	(40)
Total other income and deductions	(338)	(267)	(71)
Income before income taxes	329	245	84
Income taxes	128	80	(48)
Net income (loss)	$ 201	$ 165	$ 36

ComEd's net income for 2008 compared to 2007 reflected higher revenue net of purchased power expense, primarily driven by higher transmission rates effective May 1, 2007 and June 1, 2008 and higher distribution rates effective September 16, 2008. In 2008, ComEd received a refund of Illinois Distribution Tax that also contributed to the increase in net income. These increases were partially offset by unfavorable weather; higher operating and maintenance expense, principally driven by disallowances arising from the 2007 Rate Case order, higher storm costs and an increase in the allowance for uncollectible accounts expense; higher depreciation and amortization expense; and higher interest expense.

Results of Operations – PECO

(Dollars in millions)	2008	2007	Favorable (Unfavorable) Variance
Operating revenues	$ 5,567	$ 5,613	$ (46)
Purchased power expense and fuel expense	3,018	2,983	(35)
Revenue net of purchased power expense and fuel expense	2,549	2,630	(81)
Other operating expenses			
Operating and maintenance	731	630	(101)
Depreciation and amortization	854	773	(81)
Taxes other than income	265	280	15
Total other operating expenses	1,850	1,683	(167)
Operating income	699	947	(248)
Other income and deductions			
Interest expense, net	(226)	(248)	22
Equity in losses of unconsolidated affiliates	(16)	(7)	(9)
Other, net	18	45	(27)
Total other income and deductions	(224)	(210)	(14)
Income before income taxes	475	737	(262)
Income taxes	150	230	80
Net income	325	507	(182)
Preferred stock dividends	4	4	–
Net income on common stock	$ 321	$ 503	$ (182)

PECO's net income for 2008 compared to 2007 decreased due to lower operating revenues net of purchased power and fuel expense, reflecting unfavorable weather conditions, as well as higher operating and maintenance expenses primarily driven by an increase in the allowance for uncollectible accounts expense and increased scheduled CTC amortization, which was in accordance with the 1998 restructuring settlement mandated by the Competition Act, partially offset by the decrease in interest expense due to lower long-term debt balances owed to PECO Energy Transition Trust.

Consolidated Statements of Operations

Exelon Corporation and Subsidiary Companies

(in millions, except for per share data)	For the Years Ended December 31, 2008	2007	2006
Operating revenues	$ 18,859	$ 18,916	$ 15,655
Operating expenses			
Purchased power	4,270	5,282	2,683
Fuel	2,312	2,360	2,549
Operating and maintenance	4,566	4,289	3,868
Impairment of goodwill	–	–	776
Depreciation and amortization	1,634	1,520	1,487
Taxes other than income	778	797	771
Total operating expenses	13,560	14,248	12,134
Operating income	5,299	4,668	3,521
Other income and deductions			
Interest expense	(699)	(647)	(616)
Interest expense to affiliates, net	(133)	(203)	(264)
Equity in losses of unconsolidated affiliates	(26)	(106)	(111)
Other, net	(407)	460	266
Total other income and deductions	(1,265)	(496)	(725)
Income from continuing operations before income taxes	4,034	4,172	2,796
Income taxes	1,317	1,446	1,206
Income from continuing operations	2,717	2,726	1,590
Discontinued operations			
Income (loss) from discontinued operations (net of taxes of $1, $3 and $0,respectively)	(1)	6	(2)
Gain on disposal of discontinued operations (net of taxes of $14, $2 and $2,respectively)	21	4	4
Income from discontinued operations	20	10	2
Net income	$ 2,737	$ 2,736	$ 1,592

(in millions, except for per share data)	For the Years Ended December 31, 2008	2007	2006
Average shares of common stock outstanding			
Basic	658	670	670
Diluted	662	676	676
Earnings per average common share – basic:			
Income from continuing operations	$ 4.13	$ 4.06	$ 2.37
Income from discontinued operations	0.03	0.02	–
Net income	$ 4.16	$ 4.08	$ 2.37
Earnings per average common share – diluted:			
Income from continuing operations	$ 4.10	$ 4.03	$ 2.35
Income from discontinued operations	0.03	0.02	–
Net income	$ 4.13	$ 4.05	$ 2.35
Dividends per common share	$ 2.03	$ 1.76	$ 1.60

The information in the Consolidated Statements of Operations shown above is a replication of the information in the Consolidated Statements of Operations in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the Securities and Exchange Commission (SEC). See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

Consolidated Statements of Cash Flows

Exelon Corporation and Subsidiary Companies

(in millions)	For the Years Ended December 31, 2008	2007	2006
Cash flows from operating activities			
Net income	$ 2,737	$ 2,736	$ 1,592
Adjustments to reconcile net income to net cash flows provided by operating activities:			
Depreciation, amortization and accretion, including nuclear fuel	2,308	2,183	2,132
Impairment charges	–	–	894
Deferred income taxes and amortization of investment tax credits	374	(104)	73
Net realized and unrealized mark-to-market transactions	(515)	102	(83)
Other non-cash operating activities	1,233	664	197
Changes in assets and liabilities:			
Accounts receivable	67	(585)	(62)
Inventories	(109)	9	(59)
Accounts payable, accrued expenses and other current liabilities	136	330	67
Counterparty collateral asset	670	(246)	259
Counterparty collateral liability	357	(270)	172
Income taxes	(38)	160	69
Restricted cash	14	(15)	–
Pension and non-pension postretirement benefit contributions	(230)	(204)	(180)
Other assets and liabilities	(453)	(264)	(236)
Net cash flows provided by operating activities	6,551	4,496	4,835
Cash flows from investing activities			
Capital expenditures	(3,117)	(2,674)	(2,418)
Proceeds from nuclear decommissioning trust fund sales	17,202	7,312	4,793
Investment in nuclear decommissioning trust funds	(17,487)	(7,527)	(5,081)
Proceeds from sales of investments	–	95	2
Change in restricted cash	29	(45)	(9)
Other investing activities	(5)	(70)	(49)
Net cash flows used in investing activities	(3,378)	(2,909)	(2,762)

(in millions)	For the Years Ended December 31, 2008	2007	2006
Cash flows from financing activities			
Issuance of long-term debt	2,265	1,621	1,370
Retirement of long-term debt	(1,398)	(262)	(402)
Retirement of long-term debt to financing affiliates	(1,038)	(1,020)	(910)
Retirement of short-term debt	–	–	(300)
Change in short-term debt	(405)	311	(685)
Dividends paid on common stock	(1,335)	(1,180)	(1,071)
Proceeds from employee stock plans	130	215	184
Purchase of treasury stock	(436)	(1,208)	(186)
Purchase of forward contract in relation to certain treasury stock	(64)	(79)	–
Other financing activities	68	102	11
Net cash flows used in financing activities	(2,213)	(1,500)	(1,989)
Increase (decrease) in cash and cash equivalents	960	87	84
Cash and cash equivalents at beginning of period	311	224	140
Cash and cash equivalents at end of period	$ 1,271	$ 311	$ 224

The information in the Consolidated Statements of Cash Flows shown above is a replication of the information in the Consolidated Statements of Cash Flows in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the SEC. See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

Consolidated Statements of Balance Sheets

Exelon Corporation and Subsidiary Companies

(in millions)	December 31, 2008	2007
Assets		
Current assets		
Cash and cash equivalents	$ 1,271	$ 311
Restricted cash and investments	75	118
Accounts receivable, net		
Customer	1,928	2,041
Other	324	611
Mark-to-market derivative assets	410	247
Inventories, net, at average cost		
Fossil fuel	315	252
Materials and supplies	528	471
Deferred income taxes	–	102
Other	517	427
Total current assets	5,368	4,580
Property, plant and equipment, net	25,813	24,153
Deferred debits and other assets		
Regulatory assets	5,940	5,133
Nuclear decommissioning trust funds	5,500	6,823
Investments	670	668
Investments in affiliates	45	63
Goodwill	2,625	2,625
Mark-to-market derivative assets	507	55
Other	1,349	1,261
Total deferred debits and other assets	16,636	16,628
Total assets	$ 47,817	$ 45,361

The information in the Consolidated Balance Sheets shown above is a replication of the information in the Consolidated Balance Sheets in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the SEC. See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

(in millions)	December 31, 2008	2007
Liabilities and shareholders' equity		
Current liabilities		
Short-term borrowings	$ 211	$ 616
Long-term debt due within one year	29	605
Long-term debt to ComEd Transitional Funding Trust and PECO Energy Transition Trust due within one year	319	501
Accounts payable	1,416	1,450
Mark-to-market derivative liabilities	214	234
Accrued expenses	1,151	1,240
Other	740	983
Total current liabilities	4,080	5,629
Long-term debt	11,397	9,915
Long-term debt due to ComEd Transitional Funding Trust and PECO Energy Transition Trust	805	1,505
Long-term debt to other financing trusts	390	545
Deferred credits and other liabilities		
Deferred income taxes and unamortized tax credits	4,939	5,081
Asset retirement obligations	3,734	3,812
Pension obligations	4,111	777
Non-pension postretirement benefits obligations	2,255	1,717
Spent nuclear fuel obligation	1,015	997
Regulatory liabilities	2,520	3,301
Mark-to-market derivative liabilities	24	298
Other	1,413	1,560
Total deferred credits and other liabilities	20,011	17,543
Total liabilities	36,683	35,137
Commitments and contingencies		
Preferred securities of subsidiary	87	87
Shareholders' equity		
Common stock (No par value, 2,000 shares authorized, 658 and 661 shares outstanding at December 31, 2008 and 2007, respectively)	8,816	8,579
Treasury stock, at cost (35 and 28 shares held at December 31, 2008 and 2007, respectively)	(2,338)	(1,838)
Retained earnings	6,820	4,930
Accumulated other comprehensive loss, net	(2,251)	(1,534)
Total shareholders' equity	11,047	10,137
Total liabilities and shareholders' equity	$ 47,817	$45,361

The information in the Consolidated Balance Sheets shown above is a replication of the information in the Consolidated Balance Sheets in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the SEC. See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

Consolidated Statements of Changes in Shareholders' Equity

Exelon Corporation and Subsidiary Companies

(Dollars in millions, shares in thousands)	Issues Shares	Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance, December 31, 2005	675,809	$ 7,987	$ (444)	$ 3,206	$ (1,624)	$ 9,125
Net income	–	–	–	1,592	–	1,592
Long-term incentive plan activity	6,385	313	–	–	–	313
Employee stock purchase plan issuances	280	14	–	–	–	14
Common stock purchases	–	–	(186)	–	–	(186)
Common stock dividends declared	–	–	–	(1,372)	–	(1,372)
Adjustment to initially apply Statement of Financial Accounting Standards No. 158 (SFAS No. 158), net of income taxes of $804	–	–	–	–	(1,268)	(1,268)
Other comprehensive income, net of income taxes of $1,179	–	–	–	–	1,789	1,789
Balance, December 31, 2006	682,474	8,314	(630)	3,426	(1,103)	10,007
Net income	–	–	–	2,736	–	2,736
Long-term incentive plan activity	6,455	328	–	–	–	328
Employee stock purchase plan issuances	254	16	–	–	–	16
Common stock purchases	–	(79)	(1,208)	–	–	(1,287)
Common stock dividends declared	–	–	–	(1,219)	–	(1,219)
Adoption of Financial Accounting Standards Board Interpretation No. 48 (FIN 48)	–	–	–	(13)	–	(13)
Other comprehensive income, net of income taxes of $(290)	–	–	–	–	(431)	(431)
Balance, December 31, 2007	689,183	8,579	(1,838)	4,930	(1,534)	10,137
Net income	–	–	–	2,737	–	2,737
Long-term incentive plan activity	3,452	217	–	–	–	217
Employee stock purchase plan issuances	318	19	–	–	–	19
Common stock purchases	–	1	(500)	–	–	(499)
Common stock dividends declared	–	–	–	(1,007)	–	(1,007)
Adoption of Financial Accounting Standards Board No. 159 (FAS No. 159), net of income taxes of $286	–	–	–	160	(160)	–
Other comprehensive loss, net of income taxes of $(354)	–	–	–	–	(557)	(557)
Balance, December 31, 2008	692,953	$ 8,816	$ (2,338)	$ 6,820	$ (2,251)	$ 11,047

The information in the Consolidated Statements of Changes in Shareholders' Equity shown above is a replication of the information in the Consolidated Statements of Changes in Shareholders' Equity in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the SEC. See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

(in millions)	For the Years Ended December 31, 2008	2007	2006
Net income	$ 2,737	$ 2,736	$ 1,592
Other comprehensive income (loss)			
Pension and non-pension postretirement benefit plans:			
Prior service (benefit) reclassified to periodic benefit cost, net of income taxes of $(6), $(4), $0	(9)	(9)	–
Actuarial loss reclassified to periodic cost, net of income taxes of $52, $57, $0	60	74	–
Transition obligation reclassified to periodic cost, net of income taxes of $2, $2, $0	3	3	–
Pension and non-pension postretirement benefit plans valuation, net of income taxes of $(959), $1, $0	(1,459)	19	–
Minimum pension liability, net of income taxes of $0, $0, and $674, respectively	–	–	1,138
Net unrealized (loss) gain on cash-flow hedges, net of income taxes of $563, $(345) and $368, respectively	855	(513)	559
Unrealized (loss) gain on marketable securities, net of income taxes of $(6), $(1), and $137, respectively	(7)	(5)	92
Other comprehensive (loss) income	(557)	(431)	1,789
Comprehensive income	$ 2,180	$ 2,305	$ 3,381

The information in the Consolidated Statements of Comprehensive Income shown above is a replication of the information in the Consolidated Statements of Comprehensive Income in Exelon's 2008 Form 10-K. For complete consolidated financial statements, including notes, please refer to pages 179 through 367 of Exelon's 2008 Form 10-K filed with the SEC. See also management's discussion and analysis of financial condition and results of operation, which includes a discussion of critical accounting policies and estimates, on pages 77 through 160 of Exelon's 2008 Form 10-K filed with the SEC.

Management's Report on Internal Control Over Financial Reporting

The management of Exelon Corporation (Exelon) is responsible for establishing and maintaining adequate internal control over financial reporting. Exelon's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Exelon's management conducted an assessment of the effectiveness of Exelon's internal control over financial reporting as of December 31, 2008. In making this assessment, management used the criteria in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, Exelon's management concluded that, as of December 31, 2008, Exelon's internal control over financial reporting was effective.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2008, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report.

February 6, 2009

Information Derived from 2008 Form 10-K

We have presented a condensed discussion of financial results, excerpts from our consolidated financial statements and a copy of our Management's Report on Internal Control Over Financial Reporting in this summary annual report. A complete discussion of our financial results and our complete consolidated financial statements, including notes, appears on pages 77 through 367 of our Form 10-K annual report for the year ended December 31, 2008. That annual report was filed with the Securities and Exchange Commission on February 6, 2009 and can be viewed and retrieved through the Commission's web site at www.sec.gov or our web site at *www.exeloncorp.com*.

Our independent registered public accounting firm, PricewaterhouseCoopers LLP, issued a report dated February 6, 2009 on their integrated audit of our consolidated financial statements and our internal controls over financial reporting. In their report they expressed an unqualified opinion that those consolidated financial statements present fairly, in all material respects, the financial position of Exelon Corporation and its subsidiaries at December 31, 2008 and 2007 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008 in conformity with accounting principles generally accepted in the United States of America. They also expressed an unqualified opinion that Exelon's assessment, included in Management's Report on Internal Controls Over Financial Reporting, that Exelon maintained effective internal control over financial reporting as of December 31, 2008, based on criteria established in *Internal Control – Integrated Framework* issued by COSO, is fairly stated, in all material respects. Furthermore, they expressed an unqualified opinion that Exelon maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on criteria established in Internal Control – Integrated Framework issued by the COSO. The full text of PricewaterhouseCoopers LLP's report can be found on page 183 of our 2008 Form 10-K.

Certifications

The CEO of Exelon has made the required annual certifications for 2008 to the New York Stock Exchange and the Philadelphia Stock Exchange that Exelon is in compliance with the listing standards of those exchanges. The CEO and CFO have filed with the SEC all required certifications under section 302 of the Sarbanes-Oxley Act of 2002. These certifications are filed as Exhibits 31-1 and 31-2 to Exelon's 2008 Form 10-K.

CORPORATE PROFILE

Exelon Corporation is one of the nation's largest electric utilities with approximately $19 billion in annual revenues. The company has one of the industry's largest portfolios of electricity generation capacity, with a nationwide reach and strong positions in the Midwest and Mid-Atlantic. Exelon distributes electricity to approximately 5.4 million customers in northern Illinois and southeastern Pennsylvania and natural gas to approximately 485,000 customers in the Philadelphia area. Exelon is headquartered in Chicago and trades on the NYSE under the ticker EXC.

INVESTOR AND GENERAL INFORMATION

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Exelon Corporation
P.O. Box 805398
Chicago, IL 60680-5398

Shareholder Services
800.626.8729

Employee Plan Services
888.396.7865

Investor Relations Voice Mailbox
312.394.2345

Independent Public Accountants
PricewaterhouseCoopers LLP

Web site
www.exeloncorp.com

Stock Ticker
EXC

Shareholder Inquiries

Exelon Corporation has appointed BNY Mellon Shareowner Services as its transfer agent, stock registrar, dividend disbursing agent and dividend reinvestment agent. Should you have questions concerning your registered shareholder account or the payment or reinvestment of your dividends, or if you wish to make a stock transaction or stock transfer, you may call shareholder services at BNY Mellon at the toll-free number shown to the left or access their website at www.bnymellon.com/shareowner/isd.

Computershare Trust Company N.A. administers the Employee Stock Purchase Plan (ESPP), the Employee Stock Purchase Plan for Unincorporated Subsidiaries (ESPPUS), and employee stock options. Should you have any questions concerning your employee plan shares or wish to make a transaction, you may call the toll-free number for Employee Plan Services shown to the left or access their web site at www-us.computershare.com/employee.

The Company had approximately 140,000 holders of record of its common stock as of Dec. 31, 2008.

The 2008 Form 10-K Annual Report to the Securities and Exchange Commission was filed on Feb. 6, 2009. To obtain a copy without charge, write to Katherine K. Combs, Senior Vice President, Corporate Governance, Deputy General Counsel and Corporate Secretary, Exelon Corporation, Post Office Box 805398, Chicago, Illinois 60680-5398.

The Company maintains a telephone information service, which enables investors to obtain currently available information on financial performance, company news and to access shareholder services at BNY Mellon. To use this service, please call our toll-free number, 1.866.530.8108.

Important Additional Information This report relates, in part, to the offer (the "Offer") by Exelon to exchange each issued and outstanding share of common stock of NRG Energy, Inc. ("NRG") for 0.485 of a share of Exelon common stock. This report is for informational purposes only and does not constitute an offer to exchange, or a solicitation of an offer to exchange, NRG shares, nor is it a substitute for the exchange offer documents previously filed by Exelon with the Securities and Exchange Commission (the "SEC"). The Offer is made only through the exchange offer documents.

Exelon has filed a preliminary proxy statement and other relevant documents with the SEC in connection with the solicitation of proxies for the 2009 annual meeting of NRG stockholders (the "NRG Meeting"). Exelon will file a proxy statement and other relevant documents with the SEC in connection with its solicitation of proxies for a meeting of Exelon shareholders (the "Exelon Meeting") to be called in order to approve the issuance of shares of Exelon common stock pursuant to the Offer.

Investors and security holders are urged to read the NRG Meeting proxy statement, the Exelon Meeting proxy statement, the exchange offer documents referred to above and other relevant materials as they become available, because they will contain important information. Investors and security holders can obtain copies of the materials described above (and all other related documents filed with the SEC) at no charge on the SEC's website: www.sec.gov. Exelon, Exelon Xchange Corporation ("Xchange") and the individuals nominated by Exelon for election to NRG's Board of Directors will be participants in the solicitation of proxies from the NRG stockholders for the NRG Meeting. Exelon and Xchange will be participants in the solicitation of proxies from Exelon shareholders for the Exelon Meeting.
In addition, certain directors and executive officers of Exelon and Xchange may solicit proxies for the Exelon Meeting and the NRG Meeting.

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100% of the paper utilized for the printing of this report is Forest Stewardship Council certified, which promotes environmentally appropriate, socially beneficial and economically viable management of the world's forests. All the paper utilized in the production of this annual report is manufactured by Mohawk Paper and the FSC certified portion of the paper contains 30% pulp derived from post-consumer recycled fiber. The paper for this report was manufactured entirely with wind-generated electricity. Mohawk has provided the calculations below based on use of 69,000 pounds of Mohawk Options paper.

The savings derived from using this paper in lieu of virgin fiber paper is equivalent to:

124 trees preserved for the future	**357 lbs.** waterborne waste not created	**52,545 gallons** wastewater flow saved	**5,814 lbs.** solid waste not generated	**11,447 lbs.** net greenhouse gases prevented	**87,618,000 BTUs** energy not consumed

The savings derived from choosing a paper manufactured using wind-generated electricity:

19,370 lbs. air emissions not generated	**21** barrels crude oil unused

This amount of wind-generated electricity is equivalent to:

2 cars off the road for one year	**1,318** trees planted

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Exelon®