



Constellation Reports First Quarter 2025 Results

May 6, 2025

Earnings Release Highlights

- GAAP Net Income of \$0.38 per share and Adjusted (non-GAAP) Operating Earnings of \$2.14 per share for the first quarter of 2025
- Reaffirming full-year 2025 Adjusted (non-GAAP) Operating Earnings guidance range of \$8.90 - \$9.60 per share
- Calpine acquisition on-track to be completed by the end of the year
- Crane Clean Energy Center selected for fast-track interconnection in PJM

BALTIMORE--(BUSINESS WIRE)--May 6, 2025-- Constellation Energy Corporation (Nasdaq: CEG) today reported its financial results for the first quarter of 2025.

"Constellation delivered another strong quarter, driven by the unmatched capabilities of our people and the strength of our fleet. We provide American families and businesses with the essential power that makes life possible. This commitment is at the heart of our company and defines our special bond with America," said Joe Dominguez, president and CEO, Constellation. "Our team is working hard to meet the power needs of customers nationwide, including powering the new AI products that Americans increasingly are using in their daily lives and that businesses and government are using to provide better products and services. We are delighted to partner with America's leading technology companies as we have done with the relaunch of the Crane Clean Energy Center, and have made tremendous progress on new power agreements that we expect to announce soon. As Presidents Trump and Biden repeatedly have emphasized, it is vital for our national security and for our economy that America lead the AI race, and I am so proud that Constellation is playing such an important role."

"With continued customer demand for clean, reliable power, and backed by our strong investment grade balance sheet, Constellation is uniquely positioned to provide durable value in this evolving landscape," said Dan Eggers, chief financial officer, Constellation. "We delivered Adjusted (non-GAAP) Operating Earnings of \$2.14 per share, up from \$1.82 per share in the same quarter last year on continued strong performance across our business. Our generation fleet performed well to start the year with our nuclear plants achieving a 94.1% capacity factor and our natural gas operations attaining a dispatch match rate of 99.2%. Our consistent operational and financial performance continues to drive value for our owners."

First Quarter 2025

Our GAAP Net Income for the first quarter of 2025 decreased to \$0.38 per share from \$2.78 per share in the first quarter of 2024. Adjusted (non-GAAP) Operating Earnings for the first quarter of 2025 increased to \$2.14 per share from \$1.82 per share in the first quarter of 2024. For the reconciliations of GAAP Net Income (Loss) to Adjusted (non-GAAP) Operating Earnings, refer to the GAAP/Adjusted (non-GAAP) Operating Earnings Reconciliation section below.

Adjusted (non-GAAP) Operating Earnings in the first quarter of 2025 primarily reflects:

- Favorable market and portfolio conditions partially offset by unfavorable nuclear PTC portfolio results

Recent Developments and First Quarter Highlights

- **Calpine Acquisition:** Entered into a definitive agreement to acquire Calpine, combining the nation's largest producer of clean, carbon-free energy with the reliable, dispatchable natural gas assets of Calpine to better meet growing energy demand from customers coast-to-coast. The combination will also form the nation's leading competitive retail electric supplier, providing 2.5 million customers across America – from families to businesses and utilities – with a broad array of customized energy and sustainability solutions. We continue to expect this transaction to close in the 4th quarter of this year.
- **Crane selected for fast-track interconnect:** PJM, the nation's largest grid operator, selected the Crane Clean Energy Center for expedited grid connection as part of its Reliability Resource Initiative. Restarting Crane's Unit 1 reactor will bring new reliable, emissions-free energy to the grid at a time of tightening reserves and rising prices. PJM also selected additional uprate projects within our fleet, bringing the total addition to the grid to more than 1,150 megawatts of clean, firm electricity.
- **Nuclear Operations:** Our nuclear fleet, including our owned output from the Salem and South Texas Project (STP) Generating Stations, produced 45,582 gigawatt-hours (GWhs) in the first quarter of 2025, compared with 45,391 GWhs in the first quarter of 2024. Excluding Salem and STP, our nuclear plants at ownership achieved a 94.1% capacity factor for the first quarter of 2025, compared with 93.3% for the first quarter of 2024. There were 88 planned refueling outage days in the first quarter of 2025 and 78 in the first quarter of 2024 for sites we operate. There were no non-refueling outage days in the first quarter of 2025 and 10 in the first quarter of 2024 for sites we operate.

- **Natural Gas, Oil, and Renewables Operations:** The dispatch match rate for our gas and pumped storage fleet was 99.2% in the first quarter of 2025, compared with 97.9% in the first quarter of 2024. Renewable energy capture for our wind, solar and run-of-river hydro fleet was 96.2% in the first quarter of 2025, compared with 96.3% in the first quarter of 2024.

GAAP/Adjusted (non-GAAP) Operating Earnings Reconciliation

Unless otherwise noted, the income tax impact of each reconciling adjustment between GAAP Net Income (Loss) Attributable to Common Shareholders and Adjusted (non-GAAP) Operating Earnings is based on the marginal statutory federal and state income tax rates, taking into account whether the income or expense item is taxable or deductible, respectively, in whole or in part. For all adjustments except the NDT fund investment returns, which are included in decommissioning-related activities, the marginal statutory income tax rate was 25.5% and 25.1% for the three months ended March 31, 2025 and 2024. Under IRS regulations, NDT fund investment returns are taxed at different rates for investments if they are in qualified or non-qualified funds. The effective tax rates for the unrealized and realized gains and losses related to NDT funds were 55.3% and 54.8% for the three months ended March 31, 2025 and 2024, respectively. Adjusted (non-GAAP) Operating Earnings for the first quarter of 2025 and 2024, respectively, does not include the following items (after tax) that were included in our reported GAAP Net Income (Loss):

(In millions, except per share data)	Three Months Ended March 31, 2025	Earnings Per Share ⁽¹⁾
GAAP Net Income (Loss) Attributable to Common Shareholders	\$ 118	\$ 0.38
Unrealized (Gain) Loss on Fair Value Adjustments (net of taxes of \$169)	505	1.61
Plant Retirements and Divestitures (net of taxes of \$4)	11	0.03
Decommissioning-Related Activities (net of taxes of \$31)	19	0.06
Pension & OPEB Non-Service (Credits) Costs (net of taxes of \$3)	9	0.03
Acquisition Related Costs (net of taxes of \$4)	13	0.04
Noncontrolling Interests	(2)	(0.01)
Adjusted (non-GAAP) Operating Earnings	\$ 673	\$ 2.14

(In millions, except per share data)	Three Months Ended March 31, 2024	Earnings Per Share ⁽¹⁾
GAAP Net Income (Loss) Attributable to Common Shareholders	\$ 883	\$ 2.78
Unrealized (Gain) Loss on Fair Value Adjustments (net of taxes of \$57)	(170)	(0.53)
Plant Retirements and Divestitures (net of taxes of \$4)	12	0.04
Decommissioning-Related Activities (net of taxes of \$139)	(67)	(0.21)
Pension & OPEB Non-Service (Credits) Costs (net of taxes of \$1)	2	0.01
Separation Costs (net of taxes of \$2)	5	0.02
ERP System Implementation Costs (net of taxes of \$1)	4	0.01
Income Tax Related Adjustments	(88)	(0.28)
Noncontrolling Interests	(2)	(0.01)
Adjusted (non-GAAP) Operating Earnings	\$ 579	\$ 1.82

(1) Amounts may not sum due to rounding. Earnings per share amount is based on average diluted common shares outstanding of 314 million and 318 million for the three months ended March 31, 2025 and 2024, respectively.

Webcast Information

We will discuss first quarter 2025 earnings in a conference call scheduled for today at 9:00 a.m. Eastern Time. The webcast and associated materials can be accessed at <https://investors.constellationenergy.com>.

About Constellation

Constellation Energy Corporation (Nasdaq: CEG), a Fortune 200 company headquartered in Baltimore, is the nation's largest producer of reliable, emissions-free energy and a leading energy supplier to businesses, homes and public sector customers nationwide, including three-fourths of Fortune 100 companies. With annual output that is nearly 90% carbon-free, our hydro, wind and solar facilities paired with the nation's largest nuclear fleet have the generating capacity to power the equivalent of 16 million homes, providing about 10% of the nation's clean energy. We are committed to investing in innovative technologies to drive the transition to a reliable, sustainable and secure energy future. Follow Constellation on LinkedIn and X.

Non-GAAP Financial Measures

We utilize Adjusted (non-GAAP) Operating Earnings (and/or its per share equivalent) in our internal analysis, and in communications with investors and analysts, as a consistent measure for comparing our financial performance and discussing the factors and trends affecting our business. The presentation of Adjusted (non-GAAP) Operating Earnings is intended to complement and should not be considered an alternative to, nor more useful than, the presentation of GAAP Net Income.

The tables above provide a reconciliation of GAAP Net Income to Adjusted (non-GAAP) Operating Earnings. Adjusted (non-GAAP) Operating Earnings is not a standardized financial measure and may not be comparable to other companies' presentations of similarly titled measures.

Due to the forward-looking nature of our Adjusted (non-GAAP) Operating Earnings guidance, we are unable to reconcile this non-GAAP financial measure to GAAP Net Income given the inherent uncertainty required in projecting gains and losses associated with the various fair value adjustments required by GAAP. These adjustments include future changes in fair value impacting the derivative instruments utilized in our current business.

operations, as well as the debt and equity securities held within our nuclear decommissioning trusts, which may have a material impact on our future GAAP results.

Cautionary Statements Regarding Forward-Looking Information

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Words such as “could,” “may,” “expects,” “anticipates,” “will,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “predicts,” and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic, and financial performance, are intended to identify such forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the proposed transaction between Constellation and Calpine Corporation, the expected closing of the proposed transaction and the timing thereof. This includes statements regarding the financing of the proposed transaction and the pro forma combined company and its operations, strategies and plans, enhancements to investment-grade credit profile, synergies, opportunities and anticipated future performance and capital structure, and expected accretion to earnings per share and free cash flow. Information adjusted for the proposed transaction should not be considered a forecast of future results.

Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. The factors that could cause actual results to differ materially from the forward-looking statements made by Constellation Energy Corporation and Constellation Energy Generation, LLC, (the Registrants) include those factors discussed herein, as well as the items discussed in (1) the Registrants' 2024 Annual Report on Form 10-K in (a) Part I, ITEM 1A. Risk Factors, (b) Part II, ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part II, ITEM 8. Financial Statements and Supplementary Data: Note 18, Commitments and Contingencies; (2) the Registrants' First Quarter 2025 Quarterly Report on Form 10-Q (to be filed on May 6, 2025) in (a) Part II, ITEM 1A. Risk Factors, (b) Part I, ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (c) Part I, ITEM 1. Financial Statements: Note 13, Commitments and Contingencies; and (3) other factors discussed in filings with the SEC by the Registrants.

Investors are cautioned not to place undue reliance on these forward-looking statements, whether written or oral, which apply only as of the date of this press release. Neither Registrant undertakes any obligation to publicly release any revision to its forward-looking statements to reflect events or circumstances after the date of this press release.

Constellation Energy Corporation
GAAP Consolidated Statements of Operations and
Adjusted (non-GAAP) Operating Earnings Reconciling Adjustments
(unaudited)
(in millions, except per share data)

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		
	GAAP (a)	Non-GAAP Adjustments		GAAP (a)	Non-GAAP Adjustments	
Operating revenues	\$ 6,788	\$ 286	(b),(c)	\$ 6,161	\$ (65)	(b),(c)
Operating expenses						
Purchased power and fuel	4,384	(84)	(b)	3,417	115	(b)
Operating and maintenance	1,545	(78)	(c),(j)	1,486	(55)	(c),(d),(f)
Depreciation and amortization	248	(37)	(c),(g)	306	(65)	(c),(g)
Taxes other than income taxes	160	—		139	—	
Total operating expenses	6,337			5,348		
Operating income (loss)	451			813		
Other income and (deductions)						
Interest expense, net	(146)	34	(b)	(127)	(3)	(b)
Other, net	(154)	187	(b),(c),(e)	362	(339)	(b),(c),(e)
Total other income and (deductions)	(300)			235		
Income (loss) before income taxes	151			1,048		
Income tax (benefit) expense	22	149	(b),(c),(e),(g),(j)	165	(100)	(b),(c),(d),(e),(f),(g),(i)
Net income (loss)	129			883		
Net income (loss) attributable to noncontrolling interests	11	2	(h)	—	2	(h)
Net income (loss) attributable to common shareholders	\$ 118			\$ 883		
Effective tax rate	14.6%			15.7%		
Earnings per average common share						
Basic	\$ 0.38			\$ 2.79		
Diluted	\$ 0.38			\$ 2.78		
Average common shares outstanding						
Basic	313			317		
Diluted	314			318		

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- (a) Results reported in accordance with GAAP.
 - (b) Adjustment for mark-to-market on economic hedges, interest rate swaps, and fair value adjustments related to gas imbalances and equity investments.
 - (c) Adjustment for all gains and losses associated with Nuclear Decommissioning Trusts (NDT), Asset Retirement Obligation (ARO) accretion, Asset Retirement Cost (ARC) Depreciation, ARO remeasurement, and any earnings neutral impacts of contractual offset for Regulatory Agreement Units.
 - (d) In 2024, adjustment for certain incremental costs related to the separation (system-related costs, third-party costs paid to advisors, consultants, lawyers, and other experts assisting in the separation), including a portion of the amounts billed to us pursuant to the transition services agreement (TSA).
 - (e) Adjustment for Pension and Other Postretirement Employee Benefits (OPEB) Non-Service credits.
 - (f) In 2024, adjustment for costs related to a multi-year Enterprise Resource Program (ERP) system implemented in the first quarter of 2024.
 - (g) Adjustments related to plant retirements and divestitures.
 - (h) Adjustment for elimination of the noncontrolling interest related to certain adjustments.
 - (i) In 2024, primarily reflects the adjustment to deferred income taxes due to changes in forecasted apportionment.
 - (j) In 2025, reflects acquisition-related costs associated with the proposed Calpine merger.

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