Delivering today for a brighter tomorrow

EEI Financial Conference
November 11-13, 2018
San Francisco, California
Any statements made in this presentation about future operating results or other future events are forward-looking statements under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from the forward-looking statements. A discussion of factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.
PPL Investment Proposition

7 High-performing utilities in premium regulatory jurisdictions

$26 billion Rate Base

5-6% EPS CAGR 2018-2020

$22 billion Market Capitalization

6-7% Rate Base CAGR 2018-2020

291 Consecutive Quarterly Dividends Paid

10-12% Annual Total Return

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(1) Actual as of 12/31/2017. Represents Regulatory Asset Value (RAV) for the U.K. and utility capitalization for Kentucky.
(2) As of October 31, 2018. Does not reflect $1.2 billion of equity to be issued under the previously announced equity forward agreement entered into May 2018.
(3) EPS growth rate based on the midpoint of the 2018 ongoing earnings guidance range of $2.20 - $2.40 per share.
(4) Annual total return is the combination of projected annual EPS growth and dividend yield as of October 31, 2018.
Premium Regulatory Jurisdictions

**Pennsylvania**
- **PPL Electric Utilities**
  - FERC Formula Transmission Rates for ~50% of rate base
    - 11.68% allowed ROE
  - Constructive Distribution Regulatory Mechanisms
    - Smart Meter Rider, Storm Cost Recovery, DSIC\(^{(1)}\)
  - Forward Test Year for Distribution rate cases
  - Alternative Ratemaking \(^{(2)}\)

**Kentucky**
- **Louisville Gas & Electric (LG&E) and Kentucky Utilities (KU)**
  - 9.7% allowed ROE
  - Environmental Cost Recovery (ECR) Mechanism \(^{(3)}\)
  - Forward Test Year for base rate cases
  - Fuel Adjustment Clause
  - Gas Line Tracker

**United Kingdom**
- **WPD East and West Midlands, South West and South Wales**
  - Pre-approved plan with base revenues set for 8 years; through March 2023 \(^{(4)}\)
  - Real-time recovery of capex
  - Incentive revenues available for strong performance and innovation
  - Mechanism to retain 70% of cost efficiencies

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\(^{(1)}\) DSIC – Distribution System Improvement Charge: automatic adjustment charge that enables PPL to recover certain infrastructure improvement costs between base rate cases.

\(^{(2)}\) In June 2018, Pennsylvania passed Act 58, which allows for alternative ratemaking in the state.

\(^{(3)}\) Kentucky ECR provides near real-time recovery for approved environmental projects on the coal fleet.

\(^{(4)}\) RIIO-ED1 Price Control extends through 3/31/2023.
Continuous Operational Excellence

Fewer outages per customer

**SAIFI: Pennsylvania Regulated**
(Avg. Outages per customer)

- 35% decrease in outages per customer

**SAIFI: Kentucky Regulated**
(Avg. Outages per customer)

- 35% decrease in outages per customer

**Interruptions: U.K. Regulated**
(Outages per 100 customers)

- 30% decrease in outages per 100 customers

- Recently, PPL Electric Utilities in Pennsylvania ranked in the top decile service reliability ranking in United States; LG&E and KU in Kentucky ranked in the top-quartile.

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(1) SAIFI - System Average Interruption Frequency Index: a measure which shows the average number of interruptions that a customer experiences over a specific period of time for each customer serviced.

(2) Pennsylvania and Kentucky rankings from 2017 Institute of Electrical and Electronics Engineers (IEEE) report on average outage frequency.
Superior Customer Satisfaction

Top-tier rankings

Consistently recognized for premier level of service and customer satisfaction across all jurisdictions

Pennsylvania Regulated

- 26 J.D. Power Awards for Customer Satisfaction

Kentucky Regulated

- 21 J.D. Power Awards for Customer Satisfaction

U.K. Regulated

- Top 4 Ranked DNOs in BMCS

- PPL Electric Utilities won seventh straight J.D. Power customer satisfaction award in July 2018
- Kentucky Utilities was recently named the top ranking mid-sized utility in Midwest residential customer satisfaction
- WPD has been awarded the Customer Service Excellence award since 1992

(1) BMCS – Broad Measure of Customer Service; per Ofgem. Top 4 rankings in each year since acquiring the Midlands DNOs in April 2011.
(3) Previously known as the Government’s Charter Mark, the standard assesses multiple criteria related to customer service.
We’re Investing in the Future

~$3 billion annually

Investing capital to modernize and strengthen grid resilience

- Making the grid smarter and more resilient
- Strengthening physical and cyber security
- Connecting renewables
- Expanding solar
- Piloting new technology
- Minimizing impact of our KY coal fleet

Robust 5-Year Capital Plan (2018-2022)

($ in billions)

- U.K. $5.5
- PA $5.0
- KY $5.0

Investing over $15 billion

(1) U.K. capital plan is based on assumed exchange rate of $1.35/£ for 2018-2019 and $1.40/£ for 2020-2022.
Prudent Investments, Timely Recovery Drive Growth Opportunity

**Strong Rate Base Growth**

**6-7%**
Rate Base CAGR 2018-2020

**~80% Capex**
Earns Return within 1 year

**5-6%**
EPS CAGR 2018-2020

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(1) For comparability based on assumed exchange rate of $1.35/£ for all years.
(2) Represents Regulatory Asset Value (RAV) for U.K. and utility capitalization for KY.
(3) Range reflective of 5-6% CAGR from original 2018E ongoing earnings guidance midpoint of $2.30 per share.
(4) Does not represent earnings forecast or guidance for 2020.
Plus a Secure, Growing Dividend

Delivers consistent dividend
Dividends are a key component to PPL’s investment proposition

10-Year Dividend History
($ per share)

PPL Dividend Yield vs. Large Cap Utilities (2)
Large Cap Utility Average: 3.9%

PPL has a long standing history of paying dividends to shareholders
- October 1st dividend represents the 291st consecutive quarterly dividend paid

(1) Annualized dividend based on 02/22/2018 announced increase. Actual dividends to be determined by Board of Directors.
(2) Dividend yield calculated based on share prices and annualized dividends as of October 31, 2018.
Current Objectives/Focus

**Pennsylvania Regulated**

- **Alternative Ratemaking**
  - Opportunity to further enhance constructive regulation including decoupling, performance-based rates, and non-wires alternatives

**Kentucky Regulated**

- **Rate case application**
  - Requesting new rates effective 5/1/2019
  - “Green Tariff” supports renewables and economic development

**U.K. Regulated**

- **RIIO-2 Framework**
  - Gas and Electric Transmission subsector review (December 2018)
  - Electric Distribution Framework (Mid-2020)
Preliminary Outlook on RIIO-2: Changes and Potential Opportunities

**Returns**

- Focus on higher than expected sector returns; emphasis on differentiation should benefit top performers like WPD
- Rising interest rates may support higher base returns
  - WPD’s rate of return will be set in 2021
- Improved cost of debt recovery; WPD expected to under-recover cost of debt by $325M over RIIO-ED1
- Change in inflation index from RPI to CPIH will increase near-term earnings and cash

**Incentive Revenues**

- Incentives will likely play a key role to differentiate returns in RIIO-ED2 for top performing companies
- WPD has a strong track record of top-tier performance in customer service and reliability

**RAV Growth**

- Current RAV growth ~5.5% from 2018E-2022E
- Investing over $1 billion per year of capital in RIIO-ED1
- Expect at least a similar pace of investments in RIIO-ED2
- RAV growth expected to continue through RIIO-2 to support replacement of aging infrastructure and investment demands of government electrification initiatives

**Asset Lives**

- No change in current depreciation policy expected
- Difference between regulatory & GAAP depreciation is expected to continue for the foreseeable future

**Pension Deficit**

- Reduction of pension deficit revenues offers rate headroom; supports robust investment pipeline related to government electrification initiatives
- GAAP earnings headwind could be mitigated with shift in Fast Pot / Slow Pot allocation for financeability
  - Every 10% shift represents ~$140M annually based on RIIO-ED1 Totex
- Revenue collected is contributed to pension plan
- Pension deficit funding does not impact corporate dividend

**Price Control Length**

- Price control period length expected to be reduced from 8 years back to 5 years
- WPD has performed well under 5-year price control periods in the past (DPCR’s 3-5 were all 5-year price controls)
- Greater certainty of revenues over 5-year period without a mid-period review
Long Constructive History in U.K.

**Solid Track-Record**

WPD’s well-justified investments have driven superior performance

**U.K. Regulated Average Annual Capex in Recent Price Controls**

(1) For comparison, an FX rate of $1.35/£ was utilized to convert the actual average GBP to USD.

(2) Average capex defined as Slow Pot additions to RAV.

(3) In 2015/16 prices, all price controls include Midlands capex. Midlands DNOs was acquired by PPL in April 2011.

(4) Reflects change since privatization. Customer rates and operating costs reflected on a real dollar basis.

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<table>
<thead>
<tr>
<th>Year</th>
<th>DPCR3</th>
<th>DPCR4</th>
<th>DPCR5</th>
<th>RIIO-ED1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$550M</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>$745M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td>$975M</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td>$1,020M</td>
</tr>
<tr>
<td>2023</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Decline in Customer Rates** >40%
- **Decline in WPD’s Operating Costs** 75%
- **Improvement in Reliability** 60%

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EEI Financial Conference - November 2018
PPL Investment Summary

- Pure-play regulated business operating in premium jurisdictions
- Strong operational performance and history of prudent investments support constructive regulatory relationships
- Competitive projected earnings growth of 5-6% through 2020\(^{(1)}\)
- Solid, secure dividend with commitment to future growth and an attractive 5.4% dividend yield\(^{(2)}\)
- Proven track record of delivering commitments to shareowners and customers

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\(^{(1)}\) EPS growth rate based on the midpoint of the 2018 ongoing earnings guidance range of $2.20 - $2.40 per share.

\(^{(2)}\) Based on dividend yield as of October 31, 2018.
### PPL Fact Sheet

**CORPORATE DATA**

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker symbol and stock exchange</td>
<td>PPL-NYSE</td>
</tr>
<tr>
<td><strong>At October 31, 2018</strong></td>
<td></td>
</tr>
<tr>
<td>Average daily trading volume (1 month)</td>
<td>5.2 million shares</td>
</tr>
<tr>
<td>Closing Price</td>
<td>$30.40</td>
</tr>
<tr>
<td>52-week price range</td>
<td>$25.30 - $37.57</td>
</tr>
<tr>
<td>Annualized dividend per share</td>
<td>$1.64 ($0.41/quarter)</td>
</tr>
<tr>
<td>Enterprise value</td>
<td>$42.9 billion</td>
</tr>
<tr>
<td>Market cap</td>
<td>$21.9 billion</td>
</tr>
<tr>
<td><strong>At September 30, 2018</strong></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>$43.0 billion</td>
</tr>
<tr>
<td>Common shares outstanding</td>
<td>720.2 million</td>
</tr>
<tr>
<td>Book value per share</td>
<td>$16.38</td>
</tr>
<tr>
<td>Capitalization ($ billions):</td>
<td></td>
</tr>
<tr>
<td>Total debt</td>
<td>$21.8 65%</td>
</tr>
<tr>
<td>Common equity</td>
<td>$11.8 35%</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>$33.6 100%</td>
</tr>
<tr>
<td>Employees</td>
<td>~12,500</td>
</tr>
</tbody>
</table>

**INVESTOR RELATIONS CONTACT INFORMATION**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Bergstein</td>
<td>Vice President – Investor Relations and</td>
<td>610-774-5609</td>
</tr>
<tr>
<td></td>
<td>Corporate Development &amp; Planning</td>
<td></td>
</tr>
<tr>
<td>Andy Ludwig</td>
<td>Director – Investor Relations</td>
<td>610-774-3389</td>
</tr>
<tr>
<td></td>
<td></td>
<td><a href="mailto:invrel@pplweb.com">invrel@pplweb.com</a></td>
</tr>
</tbody>
</table>

**WEBSITE:** [www.pplweb.com](http://www.pplweb.com)
Pennsylvania Regulated Overview

$6.9 billion
Rate Base (1)

1.4 million
Customers

$5 billion
Capex Plan

(1) Actual as of 12/31/2017.
(2) Proportions based on 2018 year end projections.
(3) Represents Earnings from Ongoing Operations, includes allocation from Corporate and Other for comparative purposes.
(4) DSIC – Distribution System Improvement Charge: automatic adjustment charge that enables PPL to recover certain infrastructure improvement costs between base rate cases.

PA Segment Highlights (1)
- Services provided:
  - Electric Distribution, Electric Transmission
- Service area: 10,000 square miles
- Electricity delivered: 35,996 GWh
- Operating revenues: $2.2 billion
- Net income: $359 million

PA Segment Proportion of PPL (2)

<table>
<thead>
<tr>
<th>Rate Base</th>
<th>Capex</th>
<th>EPS (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>26%</td>
<td>35%</td>
<td>24%</td>
</tr>
</tbody>
</table>

Regulatory Attributes
- FERC Formula Rates
- DSIC Mechanism (4)
- Smart Meter Rider
- Storm Cost Recovery
- Forward Test Year for Distribution rate cases
- Alternative Ratemaking
- Strong regulatory track record with PA PUC
Kentucky Regulated Overview

$9.2 billion
Rate Base (1)

1.3 million
Customers

$5 billion
Capex Plan

KY Segment Highlights (1)
- Services provided:
  - Electric Distribution, Electric Transmission, Gas Distribution, Regulated Generation
- Service area: 9,400 square miles
- Electricity delivered: 31,839 GWh
- Operating revenues: $3.2 billion
- Net income: $286 million
- Operate approx. 8,000 MW of generation

KY Segment Proportion of PPL (2)
- Rate Base: 36%
- Capex: 36%
- EPS (3): 23%

Regulatory Attributes
- Environmental Cost Recovery (ECR) Mechanism (4)
- Fuel Adjustment Clause
- Gas Line Tracker
- Forward Test Year for base rate cases
- Very competitive retail rates
- Strong regulatory track record with KPSC

KY Segment Proportion of PPL (2)

(1) Actual as of 12/31/2017. Represents utility capitalization for Kentucky.
(2) Proportions based on 2018 year end projections.
(3) Represents Earnings from Ongoing Operations, includes allocation from Corporate and Other for comparative purposes.
(4) Kentucky ECR provides near real-time recovery for approved environmental projects on the coal fleet.
U.K. Regulated Overview

$9.8 billion (1) Rate Base (2)

(1) Actual as of 12/31/2017.
(2) Represents Regulatory Asset Value (RAV) for the U.K. For comparability reflects exchange rate of $1.35/£ for all years.

$5.5 billion (5) Capex Plan (3)

(3) Proportions based on 2018 year end projections.
(4) Proportions based on 2018 year end projections.

7.9 million Customers

U.K. Segment Highlights (1)

- Services provided:
  - Electric Distribution
- Service area: 21,600 square miles
- Electricity delivered: 74,317 GWh
- Operating revenues: $2.1 billion
- Net income: $652 million
- U.K.’s largest distribution network operator

5.4% CAGR

Rate Base

$10.3 $10.8 $11.4 $12.0 $12.7

Customers

U.K. Segment Proportion of PPL (3)

- Rate Base: 38%
- Capex: 29%
- EPS (4): 53%

Regulatory Attributes

- Pre-approved plan with base revenues set for 8 years; through March 2023
- Accelerated recovery of RAV
- Inflation indexed revenue model
- Real-time recovery of capex
- Performance incentives drive improvement
- 70% of cost efficiencies retained by company
- Strong regulatory track record with Ofgem

U.K. Segment Proportion of PPL (3)

- Rate Base: 38%
- Capex: 29%
- EPS (4): 53%

(1) Actual as of 12/31/2017.
(2) Represents Regulatory Asset Value (RAV) for the U.K. For comparability reflects exchange rate of $1.35/£ for all years.
(3) Proportions based on 2018 year end projections.
(4) Represents Earnings from Ongoing Operations, includes allocation from Corporate and Other for comparative purposes.
Capital Expenditure Plan

($ in billions)


U.K. ($1.35/£ for 2018-2019 and $1.40/£ for 2020-2022.)

KY ECR

KY Base

PA Transmission

PA Distribution

(1) U.K. capital plan is based on assumed exchange rate of $1.35/£ for 2018-2019 and $1.40/£ for 2020-2022.
Projected Rate Base Growth

($ in billions)

~5.4% CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate Base</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018E</td>
<td>$27.3</td>
<td>$29.2</td>
</tr>
<tr>
<td>2019E</td>
<td>$29.2</td>
<td>$30.9</td>
</tr>
<tr>
<td>2020E</td>
<td>$30.9</td>
<td>$32.5</td>
</tr>
<tr>
<td>2021E</td>
<td>$32.5</td>
<td>$33.7</td>
</tr>
</tbody>
</table>

(1) For comparability based on assumed exchange rate of $1.35/£ for all years.
(2) Represents Regulatory Asset Value (RAV) for U.K. Represents utility capitalization for KY.

~5.4% CAGR Breakdown

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate Base</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018E</td>
<td>$10.3</td>
<td>$10.8</td>
</tr>
<tr>
<td>2019E</td>
<td>$10.8</td>
<td>$11.4</td>
</tr>
<tr>
<td>2020E</td>
<td>$11.4</td>
<td>$12.0</td>
</tr>
<tr>
<td>2021E</td>
<td>$12.0</td>
<td>$12.7</td>
</tr>
</tbody>
</table>

- U.K. (1)(2)
- KY (2)
- PA Transmission
- PA Distribution

2018E-2022E Rate Base CAGR

- 4.4%
- 12.3%
- 3.1%
- 5.4%
## Sustainability: PPL Commitments

*Our commitments also support U.N. Sustainable Development Goals identified for the utility industry*

<table>
<thead>
<tr>
<th>PPL Commitments</th>
<th>U.N. Sustainable Development Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create extraordinary shareowner value</td>
<td>Clean Water and Sanitation</td>
</tr>
<tr>
<td>Drive best-in-sector operational performance</td>
<td>✔</td>
</tr>
<tr>
<td>Advance a cleaner energy future</td>
<td>✔</td>
</tr>
<tr>
<td>Build tomorrow’s energy infrastructure</td>
<td>✔</td>
</tr>
<tr>
<td>Exceed customer expectations</td>
<td>✔</td>
</tr>
<tr>
<td>Foster an exceptional workplace</td>
<td>✔</td>
</tr>
<tr>
<td>Strengthen communities</td>
<td>✔</td>
</tr>
</tbody>
</table>
PPL continues to enhance our disclosures to keep shareowners well informed.
Sustainability: Reducing Carbon Emissions

PPL set goal in 2018 to cut carbon dioxide emissions by 70% from 2010 levels by 2050, building on progress we have made.

**PPL's CO₂ Emissions from 2010-2017**

<table>
<thead>
<tr>
<th>Metric Tonnes (in millions)</th>
<th>2010*</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010*</td>
<td>62.6</td>
<td>33.6</td>
<td>33.9</td>
<td>30.8</td>
<td>29.5</td>
<td>29.1</td>
</tr>
</tbody>
</table>

~50% Reduction

*2010 is the only data point that includes PPL Energy Supply, LLC.

**Commitment to Carbon Reduction**

- **Scope 1**
  - Metric Tonnes (in millions)
  - 2010: 62.6
  - 2050: 18.8

~70% Reduction
Sustainability:
Natural Resource Conservation

Protecting Water

75%
Less water used (2017 vs. 2013)

96%
Amount of water recycled and reused

0.17%
Impact (water withdrawn compared to waterbody size)

Saving Energy

$35.7M
In energy-efficiency rebates awarded

671M
Kilowatt-hours saved by customers

259
Megawatts reduced during peak demand
U.K. Regulated:
RIIO-2 Projected Timelines

Electric Distribution Timeline

2019
- Sector specific methodology consultation (December)

2020
- Open hearings (Q1/Q2)
- Companies business plan formal submission (Q4)
- Draft determination (Q2)
- Final determination (November)

2021
- RIIO-ED2 Strategy Consultation (Mid-Year)
- RIIO-ED2 Strategy Decision (Early 2021)
- RIIO-ED2 Business Plan Submission (July)
- RIIO-ED2 Fast Track Decision – Draft (November)
- RIIO-ED2 Fast Track Decision – Final (July)
- RIIO-ED2 Slow Track Decision – Final (November)
- RIIO-ED2 Slow Track Decision – Draft (July)
- RIIO-ED2 Slow Track Decision – Final (February)
- RIIO-ED2 Begins (April)

2022
- Start of RIIO-2 price control for ET, GT, GD, and ESO (April)
- Statutory license consultation (December)

2023
- License decision (February)
- Draft determination (February)
- Final determination (November)

Transmission and Gas Distribution Timeline
Currency hedging strategy positions PPL to achieve 5-6% EPS growth target.

Managing Foreign Currency Risk

<table>
<thead>
<tr>
<th>(GBP/USD)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedged Rate</td>
<td>1.31</td>
<td>1.39</td>
<td>1.49</td>
</tr>
</tbody>
</table>

Forward Foreign Currency Rates

Note: Forward FX rates sourced from Bloomberg as of 10/26/2018. Forecast range reflects views from up to 14 financial institutions and does not represent PPL’s internal forecast. Not all institutions provide forecasts for all periods.

(1) PPL’s foreign currency hedge status as of 10/26/2018.
Kentucky Regulated: Rate Case Review

<table>
<thead>
<tr>
<th></th>
<th>KU</th>
<th>LG&amp;E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Electric</td>
<td>Electric</td>
</tr>
<tr>
<td>Revenue Increase Requested</td>
<td>$112 million</td>
<td>$35 million</td>
</tr>
<tr>
<td>Test Year</td>
<td>12-months ended 4/30/2020</td>
<td>12-months ended 4/30/2020</td>
</tr>
<tr>
<td>Requested ROE</td>
<td>10.42%</td>
<td>10.42%</td>
</tr>
<tr>
<td>Jurisdictional Capitalization(^{(1)})</td>
<td>$4.1 billion</td>
<td>$2.6 billion</td>
</tr>
</tbody>
</table>

(1) Does not include capitalization recovered via other rate mechanisms or other jurisdictions.

## Kentucky Regulated: Rate Case Review Schedule

<table>
<thead>
<tr>
<th>Timing</th>
<th>Milestone</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/28/2018</td>
<td>KU and LG&amp;E filed its application to adjust rates</td>
</tr>
<tr>
<td>10/12/2018</td>
<td>KU and LGE filed its responses to the KY PSC initial data requests</td>
</tr>
<tr>
<td>11/13/2018</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; Request for information from all intervenors received</td>
</tr>
<tr>
<td>11/29/2018</td>
<td>LG&amp;E and KU responses filed</td>
</tr>
<tr>
<td>12/13/2018</td>
<td>Supplemental request for information received</td>
</tr>
<tr>
<td>01/02/2019</td>
<td>LG&amp;E and KU responses filed</td>
</tr>
<tr>
<td>01/16/2019</td>
<td>Intervenor testimony filed</td>
</tr>
<tr>
<td>01/31/2019</td>
<td>Requests to intervenors submitted</td>
</tr>
<tr>
<td>02/14/2019</td>
<td>Intervenor responses filed</td>
</tr>
<tr>
<td>02/26/2019</td>
<td>LG&amp;E/KU Rebuttal testimony filed</td>
</tr>
<tr>
<td>TBD</td>
<td>Public hearing in Frankfort</td>
</tr>
<tr>
<td>05/01/2019</td>
<td>New rates effective</td>
</tr>
</tbody>
</table>

- Completed
Assumptions to Achieve 5-6% EPS Growth 2018 Through 2020

- **Key Corporate-Level Assumptions:**
  - Continued dividend growth through 2020 with a 4% increase from 2017 to 2018.
  - Approximately $2.0B of equity issuances through 2020 (including $1.7B equity forward transaction executed in May 2018).

- **Domestic Growth Assumptions:**
  - Net income growth of 8-10%.
  - Domestic rate base CAGR of 7.1%.
  - PA transmission Capex of $1.4B at 11.68% base ROE.
  - KY investment of $2.2B at 9.7% ROE.

- **U.K. Growth Assumptions:**
  - Net income growth of 7-9%.
  - Budgeted GBP foreign currency rate (including hedges): $1.31/£(2018); $1.39/£(2019); $1.40/£(2020).
  - Expected rate base (RAV) CAGR of 5.2%.
  - Higher pension income from annual contributions to pension plans.
  - Incentive revenue assumptions: $100M (2018); $90-$110M (2019); $100-$120M (2020).
  - RPI (inflation rate): 3.3% (2018); 3.0% (2019 and 2020).
  - Annual cash repatriation between $300 – $500M.

---

(1) Growth rates based off of midpoint of original 2018 ongoing earnings forecast of $2.30 per share.
(2) Subject to approval by the Board of Directors.
TRU Adjustment
- Tariffs are set using a forecasted RPI as determined by HM Treasury
- Forecasted RPI is trued up to actuals and the corresponding revenue adjustment is collected from or returned to customers two regulatory years later

MOD Adjustment
- On an annual basis, certain components of base demand revenue are updated for financial adjustments including tax, pension, cost of debt and legacy price control adjustments
- MOD adjustment also includes the Totex Incentive Mechanism which allows WPD to retain 70% of any cost savings against the RIIO-ED1 business plan and bear 70% of any cost over-runs
- Similar to TRU, most MOD components result in a revenue adjustment two regulatory years later

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRU</strong></td>
<td>($20)</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>MOD</strong></td>
<td>($40)</td>
<td>($60)</td>
<td>($90)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>($60)</td>
<td>($60)</td>
<td>($90)</td>
</tr>
</tbody>
</table>
## Funding Growth

<table>
<thead>
<tr>
<th></th>
<th>2017A</th>
<th>2018E&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Cash from Operations</td>
<td>$1,826</td>
<td>$1,690</td>
</tr>
<tr>
<td>Domestic Maintenance Capex&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>(777)</td>
<td>(860)</td>
</tr>
<tr>
<td>Dividend From U.K. Regulated</td>
<td>125</td>
<td>400</td>
</tr>
<tr>
<td><strong>Cash Available for Distribution</strong></td>
<td>$1,174</td>
<td>$1,230</td>
</tr>
<tr>
<td>Common Dividend</td>
<td>(1,072)</td>
<td>(1,165)</td>
</tr>
<tr>
<td><strong>Cash Available for Reinvestment</strong></td>
<td>$102</td>
<td>$65</td>
</tr>
<tr>
<td>Domestic Growth Capex</td>
<td>($1,379)</td>
<td>($1,585)</td>
</tr>
<tr>
<td>Debt Maturities</td>
<td>($70)</td>
<td>($250)</td>
</tr>
<tr>
<td>Debt Issuances and Change in Cash&lt;sup&gt;(3)&lt;/sup&gt;</td>
<td>987</td>
<td>835</td>
</tr>
<tr>
<td>Equity Issuances</td>
<td>432</td>
<td>970</td>
</tr>
<tr>
<td>Other Investing and Financing Activities</td>
<td>(72)</td>
<td>(35)</td>
</tr>
<tr>
<td><strong>Additional Funding Sources for Domestic Growth Capex</strong></td>
<td>$1,277</td>
<td>$1,520</td>
</tr>
</tbody>
</table>

Note: Information provided on slide to be updated on an annual basis. See Appendix for the reconciliation of Domestic Cash Flows.

<sup>(1)</sup> Based on midpoint of original 2018 earnings guidance and related assumptions.

<sup>(2)</sup> Represents book depreciation.

<sup>(3)</sup> Includes domestic issuances (short and long term), net of issue costs.
## Debt Maturities

<table>
<thead>
<tr>
<th>($ in Millions)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023 and Beyond</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPL Capital Funding</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$800</td>
<td>$3,730</td>
<td>$4,530</td>
</tr>
<tr>
<td>PPL Electric Utilities(^{(1)})</td>
<td>0</td>
<td>0</td>
<td>100</td>
<td>400</td>
<td>474</td>
<td>2,765</td>
<td>3,739</td>
</tr>
<tr>
<td>LG&amp;E and KU Energy</td>
<td>0</td>
<td>0</td>
<td>475</td>
<td>250</td>
<td>0</td>
<td>0</td>
<td>725</td>
</tr>
<tr>
<td>Louisville Gas &amp; Electric(^{(1)})</td>
<td>0</td>
<td>434</td>
<td>0</td>
<td>98</td>
<td>0</td>
<td>1,293</td>
<td>1,824</td>
</tr>
<tr>
<td>Kentucky Utilities(^{(1)})</td>
<td>0</td>
<td>96</td>
<td>500</td>
<td>0</td>
<td>0</td>
<td>1,746</td>
<td>2,342</td>
</tr>
<tr>
<td>WPD plc</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>500</td>
<td>0</td>
<td>850</td>
<td>1,350</td>
</tr>
<tr>
<td>WPD Operating Companies(^{(2)})</td>
<td>0</td>
<td>0</td>
<td>194</td>
<td>0</td>
<td>0</td>
<td>5,639</td>
<td>5,833</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$0</td>
<td>$530</td>
<td>$1,269</td>
<td>$1,248</td>
<td>$1,274</td>
<td>$16,022</td>
<td>$20,343</td>
</tr>
</tbody>
</table>

Note: As of September 30, 2018.

\(^{(1)}\) Amounts reflect the timing of any put option on municipal bonds that may be put by the holders before the bonds’ final maturities.

\(^{(2)}\) Includes WPD (East Midlands) plc, WPD (West Midlands) plc, WPD (South Wales) plc and WPD (South West) plc.
## Liquidity Profile

<table>
<thead>
<tr>
<th>Entity</th>
<th>Facility</th>
<th>Expiration Date</th>
<th>Capacity (Millions)</th>
<th>Borrowed (Millions)</th>
<th>Letters of Credit &amp; Commercial Paper Issued (Millions)</th>
<th>Unused Capacity (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPL Capital Funding</td>
<td>Syndicated Credit Facility</td>
<td>Jan-2023</td>
<td>$950</td>
<td>$0</td>
<td>$691</td>
<td>$259</td>
</tr>
<tr>
<td></td>
<td>Syndicated Credit Facility</td>
<td>Nov-2018</td>
<td>300</td>
<td>0</td>
<td>0</td>
<td>300</td>
</tr>
<tr>
<td></td>
<td>Bilateral Credit Facility</td>
<td>Mar-2019</td>
<td>100</td>
<td>0</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>639</td>
</tr>
<tr>
<td>PPL Electric Utilities</td>
<td>Syndicated Credit Facility</td>
<td>Jan-2023</td>
<td>$650</td>
<td>$0</td>
<td>$1</td>
<td>$649</td>
</tr>
<tr>
<td>LG&amp;E and KU Energy (LKE)</td>
<td>Syndicated Credit Facility</td>
<td>Oct-2018</td>
<td>$75</td>
<td>$0</td>
<td>0</td>
<td>$75</td>
</tr>
<tr>
<td>Louisville Gas &amp; Electric</td>
<td>Syndicated Credit Facility</td>
<td>Jan-2023</td>
<td>$500</td>
<td>$0</td>
<td>$176</td>
<td>$324</td>
</tr>
<tr>
<td></td>
<td>Term Loan Facility</td>
<td>Oct-2019</td>
<td>200</td>
<td>200</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>324</td>
</tr>
<tr>
<td>Kentucky Utilities</td>
<td>Syndicated Credit Facility</td>
<td>Jan-2023</td>
<td>$400</td>
<td>$0</td>
<td>$128</td>
<td>$272</td>
</tr>
<tr>
<td></td>
<td>Letter of Credit Facility</td>
<td>Oct-2020</td>
<td>198</td>
<td>0</td>
<td>198</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>272</td>
</tr>
<tr>
<td>WPD</td>
<td>WPD plc Syndicated Credit Facility</td>
<td>Jan-2023</td>
<td>£210</td>
<td>£154</td>
<td>£0</td>
<td>£54 (1)</td>
</tr>
<tr>
<td></td>
<td>WPD plc Term Loan Facility</td>
<td>Dec-2018</td>
<td>130</td>
<td>130</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>WPD (South West) Syndicated Credit Facility</td>
<td>Jul-2021</td>
<td>245</td>
<td>0</td>
<td>0</td>
<td>245</td>
</tr>
<tr>
<td></td>
<td>WPD (East Midlands) Syndicated Credit Facility</td>
<td>Jul-2021</td>
<td>300</td>
<td>93</td>
<td>0</td>
<td>207</td>
</tr>
<tr>
<td></td>
<td>WPD (West Midlands) Syndicated Credit Facility</td>
<td>Jul-2021</td>
<td>300</td>
<td>50</td>
<td>0</td>
<td>250</td>
</tr>
<tr>
<td></td>
<td>Uncommitted Credit Facilities</td>
<td></td>
<td>130</td>
<td>0</td>
<td>4</td>
<td>126</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>882</td>
</tr>
</tbody>
</table>

Note: As of September 30, 2018.

(1) The unused capacity reflects the amount borrowed in GBP of £156 million as of the date borrowed.
# PPL’s Credit Ratings

## PPL Corporation

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>NR</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>NR</td>
<td>Baa2</td>
<td>Stable</td>
<td></td>
</tr>
</tbody>
</table>

## PPL Capital Funding

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>NR</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa2</td>
<td>NR</td>
<td>Baa2</td>
<td>Stable</td>
</tr>
</tbody>
</table>

## WPD Holding Company

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>BBB+</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa3</td>
<td>Baa3</td>
<td>Stable</td>
<td></td>
</tr>
</tbody>
</table>

## LKE Holding Company

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>BBB+</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa1</td>
<td>Baa1</td>
<td>Stable</td>
<td></td>
</tr>
</tbody>
</table>

## WPD Operating Companies

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>A-</td>
<td>Baa1</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>NR</td>
<td>Baa1</td>
<td>Stable</td>
<td></td>
</tr>
</tbody>
</table>

## LKE Operating Companies

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>NR</td>
<td>NR</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>NR</td>
<td>A1</td>
<td>A3</td>
<td>Stable</td>
</tr>
</tbody>
</table>

## PPL Electric Utilities

<table>
<thead>
<tr>
<th>Credit Rating</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Long-term Issuer</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>A</td>
<td>NR</td>
<td>A1</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>NR</td>
<td>NR</td>
<td>A3</td>
<td>Stable</td>
</tr>
</tbody>
</table>

---

Note: As of September 30, 2018.
Reconciliation of PPL’s Forecast of Reported Earnings to Earnings From Ongoing Operations

<table>
<thead>
<tr>
<th>After-Tax (Unaudited) (per share - diluted)</th>
<th>2018 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.K. Reg.</td>
</tr>
<tr>
<td>Reported Earnings</td>
<td>$ 1.48</td>
</tr>
<tr>
<td>Less: Special Items (expense) benefit:</td>
<td></td>
</tr>
<tr>
<td>Foreign currency economic hedges</td>
<td>0.15</td>
</tr>
<tr>
<td>Kentucky state tax reform</td>
<td>(0.01)</td>
</tr>
<tr>
<td>IT transformation</td>
<td></td>
</tr>
<tr>
<td>Total Special Items</td>
<td>0.15</td>
</tr>
<tr>
<td>Earnings from Ongoing Operations</td>
<td>$ 1.33</td>
</tr>
</tbody>
</table>
Forward-Looking Information Statement

Statements contained in this presentation, including statements with respect to future earnings, cash flows, dividends, financing, regulation and corporate strategy are "forward-looking statements" within the meaning of the federal securities laws. Although PPL Corporation believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: market demand for energy in our service territories, weather conditions affecting customer energy usage and operating costs; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of our facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements and the related costs of compliance; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; asset or business acquisitions and dispositions; any impact of hurricanes or other severe weather on our business; receipt of necessary government permits, approvals, rate relief and regulatory cost recovery; capital market conditions and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation against PPL Corporation and its subsidiaries; stock price performance; the market prices of equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual cyber attack, terrorism or war or other hostilities; British pound sterling to U.S. dollar exchange rates; new state, federal or foreign legislation, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. All forward-looking statements should be considered in light of these important factors and in conjunction with the factors and other matters in PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.
Definitions of non-GAAP Financial Measures

Management utilizes "Earnings from Ongoing Operations" as a non-GAAP financial measure that should not be considered as an alternative to reported earnings, or net income, an indicator of operating performance determined in accordance with GAAP. PPL believes that Earnings from Ongoing Operations is useful and meaningful to investors because it provides management's view of PPL's earnings performance as another criterion in making investment decisions. In addition, PPL's management uses Earnings from Ongoing Operations in measuring achievement of certain corporate performance goals, including targets for certain executive incentive compensation. Other companies may use different measures to present financial performance.

Earnings from Ongoing Operations is adjusted for the impact of special items. Special items are presented in the financial tables on an after-tax basis with the related income taxes on special items separately disclosed. Income taxes on special items, when applicable, are calculated based on the effective tax rate of the entity where the activity is recorded. Special items include:

- Unrealized gains or losses on foreign currency economic hedges (as discussed below).
- Gains and losses on sales of assets not in the ordinary course of business.
- Impairment charges.
- Significant workforce reduction and other restructuring effects.
- Acquisition and divestiture-related adjustments.
- Other charges or credits that are, in management's view, non-recurring or otherwise not reflective of the company's ongoing operations.

Unrealized gains or losses on foreign currency economic hedges include the changes in fair value of foreign currency contracts used to hedge GBP-denominated anticipated earnings. The changes in fair value of these contracts are recognized immediately within GAAP earnings. Management believes that excluding these amounts from Earnings from Ongoing Operations until settlement of the contracts provides a better matching of the financial impacts of those contracts with the economic value of PPL's underlying hedged earnings.
Definitions of non-GAAP Financial Measures

Management also utilizes the following non-GAAP financial measures as indicators of performance for its businesses:

"U.K. Adjusted Gross Margins" is a single financial performance measure of the electricity distribution operations of the U.K. Regulated segment. In calculating this measure, direct costs such as connection charges from National Grid, which owns and manages the electricity transmission network in England and Wales, and Ofgem license fees (recorded in "Other operation and maintenance" on the Statements of Income) are deducted from operating revenues, as they are costs passed through to customers. As a result, this measure represents the net revenues from the delivery of electricity across WPD's distribution network in the U.K. and directly related activities.

"Kentucky Adjusted Gross Margins" is a single financial performance measure of the electricity generation, transmission and distribution operations of the Kentucky Regulated segment, LKE, LG&E and KU, as well as the Kentucky Regulated segment's, LKE's and LG&E's distribution and sale of natural gas. In calculating this measure, fuel, energy purchases and certain variable costs of production (recorded in "Other operation and maintenance" on the Statements of Income) are deducted from operating revenues. In addition, certain other expenses, recorded in "Other operation and maintenance", "Depreciation" and "Taxes, other than income" on the Statements of Income, associated with approved cost recovery mechanisms are offset against the recovery of those expenses, which are included in revenues. These mechanisms allow for direct recovery of these expenses and, in some cases, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from electricity and gas operations.

"Pennsylvania Adjusted Gross Margins" is a single financial performance measure of the electricity transmission and distribution operations of the Pennsylvania Regulated segment and PPL Electric. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," (which are primarily Act 129 and Universal Service program costs), "Depreciation" (which is primarily related to the Act 129 Smart Meter program) and "Taxes, other than income," (which is primarily gross receipts tax) on the Statements of Income. This measure represents the net revenues from the Pennsylvania Regulated segment's and PPL Electric's electricity delivery operations.

These measures are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and report their results of operations. Management believes these measures provide additional useful criteria to make investment decisions. These performance measures are used, in conjunction with other information, by senior management and PPL's Board of Directors to manage operations and analyze actual results compared with budget.

Reconciliations of adjusted gross margins for future periods are not provided as certain items excluded from Operating Income are inherently subject to change and are not significant.