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May 4, 2023

PG&E Corporation Reports First-Quarter Results; On Track to Deliver Solid 2023

- Recorded GAAP earnings were \$0.27 per diluted share for the first quarter of 2023, compared to earnings of \$0.22 per diluted share for the same period in 2022.
- Non-GAAP core earnings were \$0.29 per diluted share for the first quarter of 2023, compared to earnings of \$0.30 per diluted share for the same period in 2022.
- 2023 EPS guidance updated for GAAP earnings in the range of \$1.00 to \$1.13 per share.
- 2023 EPS guidance reaffirmed for non-GAAP core earnings in the range of \$1.19 to \$1.23 per share.
- Forecasting no equity needs in 2023 through 2024.

OAKLAND — PG&E Corporation (NYSE: PCG) recorded first-quarter 2023 income available for common shareholders of \$569 million, or \$0.27 per diluted share, as reported in accordance with generally accepted accounting principles (GAAP). This compares with income available for common shareholders of \$475 million, or \$0.22 per diluted share, for the first quarter of 2022.

The increase in GAAP results was primarily driven by lower costs related to investigation remedies, prior period net regulatory impact, PG&E Corporation's and Pacific Gas and Electric Company's (Utility) reorganization cases under Chapter 11 of the U.S. Bankruptcy Code (Chapter 11), and higher Fire Victim Trust tax benefit net of securitization.

"The team at PG&E is driving forward in reducing physical risk on our system and financial risk —both of which benefit our customers and our investors," said Patti Poppe, CEO of PG&E Corporation. "After the first quarter of 2023, we are on track to meet our earnings targets as well as our efforts to reduce non-fuel operating and maintenance costs by 2%, and we look forward to continued predictable results in the months ahead."

Non-GAAP Core Earnings

PG&E Corporation's non-GAAP core earnings, which exclude non-core items, were \$615 million, or \$0.29 per diluted share, in the first quarter of 2023, compared with \$639 million, or \$0.30 per diluted share, during the same period in 2022.

The change in quarter-over-quarter non-GAAP core earnings per diluted share was primarily driven by lower operating and maintenance costs due to crews reallocated to storm response activity, which allowed for redeployment of other resources. Results are also driven by other miscellaneous items, partially offset by timing items.

Non-core items, which management does not consider representative of ongoing earnings, totaled \$46 million after tax, or \$0.02 per diluted share, in the first quarter of 2023, compared with \$164 million after tax, or \$0.08 per diluted share, during the same period in 2022.

PG&E Corporation uses "non-GAAP core earnings," which is a non-GAAP financial measure, in order to provide a measure that allows investors to compare the underlying financial performance of the business from one period to another, exclusive of non-core items. See the accompanying tables for a reconciliation of non-GAAP core earnings to consolidated earnings available for common shareholders.

2023 Guidance

PG&E Corporation is updating 2023 GAAP earnings guidance in the range of \$1.00 to \$1.13 per diluted share. Factors driving GAAP earnings include costs related to unrecoverable interest expense of \$370 million to \$430 million after tax and other earnings factors, including allowance for funds used during construction equity, incentive revenues, tax benefits, and cost savings, net of below-the-line costs. Additional factors include the amortization of the Wildfire Fund asset and accretion of the related Wildfire Fund liability, investigation remedies, PG&E Corporation's and the Utility's reorganization cases under Chapter 11, and wildfire-related costs, partially offset by Fire Victim Trust tax benefits and prior period net regulatory impact.

The guidance range for projected 2023 non-GAAP core earnings is reaffirmed at \$1.19 to \$1.23 per diluted share. The guidance range for non-core items, which management does not consider representative of ongoing earnings, is updated to \$200 million to \$390 million after tax.

Guidance is based on various assumptions and forecasts, including those relating to authorized revenues, future expenses, capital expenditures, rate base, equity issuances, and certain other factors.

Supplemental Financial Information

In addition to the financial information accompanying this release, presentation slides have been furnished to the Securities and Exchange Commission (SEC) and are available on PG&E Corporation's website at: <http://investor.pgecorp.com/financials/quarterly-earnings-reports/default.aspx>.

Earnings Conference Call

PG&E Corporation will also hold a conference call on May 4, 2023, at 11:00 a.m. Eastern Time (8:00 a.m. Pacific Time) to discuss its first quarter 2023 results. The public can access the conference call through a simultaneous webcast. The link is provided below and will also be available from the PG&E Corporation website.

What: First Quarter 2023 Earnings Call

When: Thursday, May 4, 2023 at 11:00 a.m. Eastern Time

Where: <http://investor.pgecorp.com/news-events/events-and-presentations/default.aspx>

A replay of the conference call will be archived at <http://investor.pgecorp.com/news-events/events-and-presentations/default.aspx>.

Alternatively, a toll-free replay of the conference call may be accessed shortly after the live call through May 11, 2023, by dialing (800) 770-2030. International callers may dial (647) 362-9199. For both domestic and international callers, the confirmation code 64421 will be required to access the replay.

Public Dissemination of Certain Information

PG&E Corporation and the Utility routinely provide links to the Utility's principal regulatory proceedings with the California Public Utilities Commission and the Federal Energy Regulatory Commission at <http://investor.pgecorp.com>, under the "Regulatory Filings" tab, so that such filings are available to investors upon filing with the relevant agency. PG&E Corporation and the Utility also routinely post, or provide direct links to, presentations, documents, and other information that may be of interest to investors, including regarding dividends, at <http://investor.pgecorp.com>, under the "Wildfire and Safety Updates," "News & Events: Events & Presentations," and "Shareholders: Dividend Information" tabs, respectively, in order to publicly disseminate such information. It is possible that any of these filings or information included therein could be deemed to be material information.

About PG&E Corporation

PG&E Corporation (NYSE: PCG) is a holding company headquartered in Oakland, California. It is the parent company of Pacific Gas and Electric Company, an energy company that serves 16 million Californians across a 70,000-square-mile service area in Northern and Central California. For more information, visit <http://www.pgecorp.com>.

Forward-Looking Statements

This news release contains forward-looking statements that are not historical facts, including statements about the beliefs, expectations, estimates, future plans and strategies of PG&E Corporation and the Utility, including but not limited to earnings guidance and equity financing requirements for 2023 and 2024. These statements are based on current expectations and assumptions, which management believes are reasonable, and on information currently available to management, but are necessarily subject to various risks and uncertainties. In addition to the risk that these assumptions prove to be inaccurate, factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include factors disclosed in PG&E Corporation and the Utility's joint annual report on Form 10-K for the year ended December 31, 2022, their most recent quarterly report on Form 10-Q for the quarter ended March 31, 2023, and other reports filed with the SEC, which are available on PG&E Corporation's website at www.pgecorp.com and on the SEC website at www.sec.gov. PG&E Corporation and the Utility undertake no obligation to publicly update or revise any forward-looking statements, whether due to new information, future events or otherwise, except to the extent required by law.

PG&E CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)

	(Unaudited)	
	Three Months Ended March 31,	
	2023	2022
Operating Revenues		
Electric	\$ 4,119	\$ 4,158
Natural gas	2,090	1,640
Total operating revenues	6,209	5,798
Operating Expenses		
Cost of electricity	522	502
Cost of natural gas	916	561
Operating and maintenance	2,677	3,110
SB 901 securitization charges, net	273	—
Wildfire-related claims, net of recoveries	(2)	(1)
Wildfire Fund expense	117	118
Depreciation, amortization, and decommissioning	1,077	972
Total operating expenses	5,580	5,262
Operating Income	629	536
Interest income	112	8
Interest expense	(602)	(419)
Other income, net	85	149
Income Before Income Taxes	224	274
Income tax benefit	(348)	(204)
Net Income	572	478
Preferred stock dividend requirement of subsidiary	3	3
Income Available for Common Shareholders	\$ 569	\$ 475
Weighted Average Common Shares Outstanding, Basic	1,991	1,986
Weighted Average Common Shares Outstanding, Diluted	2,132	2,134
Net Income Per Common Share, Basic	\$ 0.29	\$ 0.24
Net Income Per Common Share, Diluted	\$ 0.27	\$ 0.22

Reconciliation of PG&E Corporation's Consolidated Earnings Available for Common Shareholders in Accordance with Generally Accepted Accounting Principles ("GAAP") to Non-GAAP Core Earnings
First Quarter, 2023 vs. 2022
(in millions, except per share amounts)

(in millions, except per share amounts)	Three Months Ended March 31,			
	Earnings		Earnings per Common Share	
	2023	2022	2023	2022
PG&E Corporation's Earnings/EPS on a GAAP basis	\$ 569	\$ 475	\$ 0.27	\$ 0.22
Non-core items: ⁽¹⁾				
Amortization of Wildfire Fund contribution ⁽²⁾	84	85	0.04	0.04
Bankruptcy and legal costs ⁽³⁾	17	34	0.01	0.02
Fire Victim Trust tax benefit net of securitization ⁽⁴⁾	(74)	(135)	(0.03)	(0.06)
Investigation remedies ⁽⁵⁾	15	70	0.01	0.03
Prior period net regulatory impact ⁽⁶⁾	(6)	45	—	0.02
Strategic repositioning costs ⁽⁷⁾	1	—	—	—
Wildfire-related costs, net of insurance ⁽⁸⁾	9	66	—	0.03
PG&E Corporation's Non-GAAP Core Earnings/EPS ⁽⁹⁾	<u>\$ 615</u>	<u>\$ 639</u>	<u>\$ 0.29</u>	<u>\$ 0.30</u>

All amounts presented in the table above and footnotes below are tax adjusted at PG&E Corporation's statutory tax rate of 27.98% for 2023 and 2022, except for certain costs that are not tax deductible. Earnings per Common Share is calculated based on diluted shares, except as noted. Amounts may not sum due to rounding.

- (1) "Non-core items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods, consisting of the items listed in the table above. See Non-GAAP Financial Measures below.
- (2) The Utility recorded costs of \$117 million (before the tax impact of \$33 million) during the three months ended March 31, 2023, associated with the amortization of the Wildfire Fund asset and accretion of the related Wildfire Fund liability.

- (3) Includes bankruptcy and legal costs associated with PG&E Corporation's and the Utility's Chapter 11 filing, including legal and other costs and exit financing costs, as shown below.

(in millions)	Three Months Ended March 31, 2023
Legal and other costs	\$ 15
Exit financing	9
Bankruptcy and legal costs (pre-tax)	\$ 23
Tax impacts	(6)
Bankruptcy and legal costs (post-tax)	\$ 17

- (4) Includes any earnings-impacting investment losses, net of gains, associated with investments related to the upfront contributions to the Customer Credit Trust, the charge related to the establishment of the SB 901 securitization regulatory asset and the SB 901 securitization regulatory liability associated with revenue credits funded by Net Operating Loss monetization, and tax benefits related to the Fire Victim Trust's sale of PG&E Corporation common stock.

(in millions)	Three Months Ended March 31, 2023
Rate neutral securitization charge	\$ 273
Losses, net of gains related to Customer Credit Trust	(20)
Fire Victim Trust tax benefit net of securitization (pre-tax)	\$ 253
Tax impacts	(71)
Tax benefits from Fire Victim Trust share sales	(256)
Fire Victim Trust tax benefit net of securitization (post-tax)	\$ (74)

- (5) Includes costs associated with restoration and rebuild costs for the town of Paradise, the system enhancements related to the locate and mark OII, and the CPUC's OII into the 2017 Northern California Wildfires and 2018 Camp Fire, as shown below.

(in millions)	Three Months Ended March 31, 2023
Paradise restoration and rebuild	\$ 21
Locate and mark OII system enhancements	1
Wildfire OII disallowance and system enhancements	(1)
Investigation remedies (pre-tax)	\$ 21
Tax impacts	(6)
Investigation remedies (post-tax)	\$ 15

- (6) Includes adjustments associated with the recovery of capital expenditures from 2011 through 2014 above amounts adopted in the 2011 GT&S rate case per the CPUC decision dated July 14, 2022.

(in millions)	Three Months Ended March 31, 2023
2011-2014 GT&S capital audit	\$ (8)
Prior period net regulatory impact (pre-tax)	\$ (8)
Tax impacts	2
Prior period net regulatory impact (post-tax)	\$ (6)

- (7) The Utility recorded one-time costs related to repositioning PG&E Corporation's and the Utility's operating model, including their workforce.

(in millions)	Three Months Ended March 31, 2023
Operating model	\$ 2
Strategic repositioning costs (pre-tax)	\$ 2
Tax impacts	(1)
Strategic repositioning costs (post-tax)	\$ 1

- (8) Includes costs associated with the 2019 Kincade fire, 2020 Zogg fire, and 2021 Dixie fire, net of insurance, as shown below.

(in millions)	Three Months Ended March 31, 2023
2019 Kincade fire-related costs	\$ 2
2020 Zogg fire-related costs	7
2020 Zogg fire-related insurance recoveries	(1)
2021 Dixie fire-related legal settlements	6
Wildfire-related costs, net of insurance (pre-tax)	\$ 13
Tax impacts	(4)
Wildfire-related costs, net of insurance (post-tax)	\$ 9

- (9) "Non-GAAP core earnings" is a non-GAAP financial measure. See Non-GAAP Financial Measures below.

Undefined, capitalized terms have the meanings set forth in the PG&E Corporation and the Utility's joint quarterly report on Form 10-Q for the quarter ended March 31, 2023.

PG&E Corporation's 2023 Earnings Guidance

EPS Guidance	2023			
	Low		High	
Estimated EPS on a GAAP basis	~ \$	1.00	~ \$	1.13
Estimated Non-Core Items: ⁽¹⁾				
Amortization of Wildfire Fund contribution ⁽²⁾	~	0.16	~	0.16
Bankruptcy and legal costs ⁽³⁾	~	0.03	~	0.02
Fire Victim Trust tax benefit net of securitization ⁽⁴⁾	~	(0.05)	~	(0.11)
Investigation remedies ⁽⁵⁾	~	0.04	~	0.03
Prior period net regulatory impact ⁽⁶⁾	~	(0.01)	~	(0.01)
Strategic repositioning costs ⁽⁷⁾	~	—	~	—
Wildfire-related costs, net of insurance ⁽⁸⁾	~	0.02	~	0.01
Estimated EPS on a non-GAAP Core Earnings basis	~ \$	1.19	~ \$	1.23

All amounts presented in the table above and footnotes below are tax adjusted at PG&E Corporation's statutory tax rate of 27.98% for 2023, except for certain costs that are not tax deductible. Amounts may not sum due to rounding.

- (1) "Non-core items" include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods. See Non-GAAP Financial Measures below.
- (2) "Amortization of Wildfire Fund contribution" represents the amortization of the Wildfire Fund asset and accretion of the related Wildfire Fund liability.

(in millions, pre-tax)	2023			
	Low guidance range		High guidance range	
Amortization of Wildfire Fund contribution	~ \$	470	~ \$	470
Amortization of Wildfire Fund contribution (pre-tax)	~ \$	470	~ \$	470
Tax impacts	~	(132)	~	(132)
Amortization of Wildfire Fund contribution (post-tax)	~ \$	338	~ \$	338

(3) “Bankruptcy and legal costs” consists of legal and other costs associated with PG&E Corporation’s and the Utility’s Chapter 11 filing, and exit financing costs.

(in millions, pre-tax)	2023	
	Low guidance range	High guidance range
Legal and other costs	~ \$ 65	~ \$ 40
Exit financing	~ 35	~ 25
Bankruptcy and legal costs (pre-tax)	~ \$ 100	~ \$ 65
Tax impacts	~ (28)	~ (18)
Bankruptcy and legal costs (post-tax)	~ \$ 72	~ \$ 47

(4) “Fire Victim Trust tax benefit net of securitization” includes the impact of rate neutral (SB 901) securitization and tax benefits related to the Fire Victim Trust. Impacts of the SB 901 securitization include the establishment of the SB 901 securitization regulatory asset and the SB 901 regulatory liability associated with revenue credits funded by Net Operating Loss monetization. Fire Victim Trust tax benefits include tax benefits recognized upon the sale of shares of PG&E Corporation common stock by the Fire Victim Trust, which PG&E Corporation and the Utility have elected to treat as a grantor trust. Also included are the earnings-impacting investment losses, net of gains, associated with investments related to the upfront contributions to the Customer Credit Trust. The low case includes tax benefits for the 120,000,000 shares of PG&E Corporation common stock sold in the aggregate by the Fire Victim Trust as of April 26, 2023, whereas the high case reflects an assumption that the Fire Victim Trust sells the remaining 127,743,590 shares during 2023.

(in millions, pre-tax)	2023	
	Low guidance	High guidance
Rate neutral securitization charge	~ \$ 595	~ \$ 1,145
Losses, net of gains related to Customer Credit Trust	~ (20)	~ (20)
Fire Victim Trust tax benefit net of securitization (pre-tax)	~ \$ 575	~ \$ 1,125
Tax impacts	~ (161)	~ (315)
Tax benefits from Fire Victim Trust share sales	~ (525)	~ (1,045)
Fire Victim Trust tax benefit net of securitization (post-tax)	~ \$ (111)	~ \$ (235)

- (5) “Investigation remedies” includes costs related to the settlement agreement with the Safety and Enforcement Division’s investigation into the 2020 Zogg fire, Paradise restoration and rebuild, the Wildfires OII decision different, and the locate and mark OII system enhancements.

(in millions, pre-tax)	2023	
	Low guidance range	High guidance range
2020 Zogg fire settlement	~ \$ 50	~ \$ 15
Paradise restoration and rebuild	~ 30	~ 30
Wildfire OII disallowance and system enhancements	~ 20	~ 20
Locate and mark OII system enhancements	~ 5	~ 5
Investigation remedies (pre-tax)	~ \$ 105	~ \$ 70
Tax impacts	~ (22)	~ (13)
Investigation remedies (post-tax)	~ \$ 83	~ \$ 57

- (6) “Prior period net regulatory impact” represents the recovery of capital expenditures from 2011 through 2014 above amounts adopted in the 2011 GT&S rate case.

(in millions, pre-tax)	2023	
	Low guidance range	High guidance range
2011-2014 GT&S capital audit	~ \$ (35)	~ \$ (35)
Prior period net regulatory impact (pre-tax)	~ \$ (35)	~ \$ (35)
Tax impacts	~ 10	~ 10
Prior period net regulatory impact (post-tax)	~ \$ (25)	~ \$ (25)

- (7) “Strategic repositioning costs” includes one-time costs related to repositioning PG&E Corporation’s and the Utility’s operating model, including their workforce, and costs associated with the potential sale of a minority interest in Pacific Generation LLC.

(in millions, pre-tax)	2023	
	Low guidance range	High guidance range
Operating model	~ \$ 5	~ \$ 5
Pacific Generation LLC minority interest sale	~ —	~ —
Strategic repositioning costs (pre-tax)	~ \$ 5	~ \$ 5
Tax impacts	~ (1)	~ (1)
Strategic repositioning costs (post-tax)	~ \$ 4	~ \$ 4

(8) “Wildfire-related costs, net of insurance” includes legal and other costs associated with the 2019 Kincadee fire, 2020 Zogg fire, and 2021 Dixie fire, net of insurance.

(in millions, pre-tax)	2023	
	Low guidance range	High guidance range
2019 Kincadee fire-related costs	~ \$ 25	~ \$ 10
2020 Zogg fire-related costs	~ 25	~ 15
2020 Zogg fire-related insurance recoveries	~ (10)	~ (10)
2021 Dixie fire-related legal settlements	~ 15	~ 15
Wildfire-related costs, net of insurance (pre-tax)	~ \$ 55	~ \$ 30
Tax impacts	~ (15)	~ (8)
Wildfire-related costs, net of insurance (post-tax)	~ \$ 40	~ \$ 22

Undefined, capitalized terms have the meanings set forth in the PG&E Corporation and the Utility’s joint quarterly report on Form 10-Q for the quarter ended March 31, 2023.

Non-GAAP Core Earnings and Non-GAAP Core EPS

“Non-GAAP core earnings” and “Non-GAAP core EPS,” also referred to as “non-GAAP core earnings per share,” are non-GAAP financial measures. Non-GAAP core earnings is calculated as income available for common shareholders less non-core items. “Non-core items” include items that management does not consider representative of ongoing earnings and affect comparability of financial results between periods, consisting of the items listed in Exhibit A. Non-GAAP core EPS is calculated as non-GAAP core earnings divided by common shares outstanding (taken on a basic basis in the event of a GAAP loss and a diluted basis in the event of a GAAP gain).

PG&E Corporation discloses historical financial results and provides guidance based on “non-GAAP core earnings” and “non-GAAP core EPS” in order to provide a measure that allows investors to compare the underlying financial performance of the business from one period to another, exclusive of non-core items. PG&E Corporation and the Utility use non-GAAP core earnings and non-GAAP core EPS to understand and compare operating results across reporting periods for various purposes including internal budgeting and forecasting, short- and long-term operating planning, and employee incentive compensation. PG&E Corporation and the Utility believe that non-GAAP core earnings and non-GAAP core EPS provide additional insight into the underlying trends of the business, allowing for a better comparison against historical results and expectations for future performance. With respect to our projection of non-GAAP core EPS for the years 2024-2026, PG&E Corporation is unable to predict with reasonable certainty the reconciling items that may affect GAAP net income without unreasonable effort. The reconciling items are primarily due to the future impact of wildfire-related costs, timing of regulatory recoveries, special tax items, and investigation remedies. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, the GAAP measures.

Non-GAAP core earnings and non-GAAP core EPS are not substitutes or alternatives for GAAP measures such as consolidated income available for common shareholders and may not be comparable to similarly titled measures used by other companies.