

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

TXU Corp.'s common stock is listed on the New York and Chicago stock exchanges (symbol: TXU). In 2005, TXU Corp.'s board of directors declared a two-for-one stock split effected in the form of a 100 percent stock dividend. The stock split entitled each shareholder of record at the close of business on November 18, 2005, to receive one additional share for every outstanding share of common stock they held on that date. The additional shares resulting from the stock split were distributed on December 8, 2005. The price range of the common stock of TXU Corp., as reported by Bloomberg L.P., and the dividends per share declared during each of the calendar quarters of 2006 and 2005 were as follows (prior periods adjusted to reflect the stock split):

Quarter Ended	Price Range				Dividends Declared	
	2006		2005		2006	2005
	High	Low	High	Low		
March 31	\$ 53.90	\$ 44.43	\$ 40.38	\$ 30.22	\$ 0.4125	\$ 0.2813
June 30	59.93	44.10	43.63	37.36	0.4125	0.2813
September 30.....	67.21	58.14	56.59	40.17	0.4125	0.2813
December 31	65.44	53.05	58.30	44.01	<u>0.4325</u>	<u>0.4124</u>
					<u>\$ 1.6700</u>	<u>\$ 1.2563</u>

TXU Corp. has declared common stock dividends payable in cash every year since 1945. TXU Corp. depends, in part, on the dividends it receives from its subsidiaries to fund dividends to its shareholders. In November 2006, TXU Corp.'s board of directors increased TXU Corp.'s dividend and reaffirmed its cash distribution policy that was revised in November 2005, setting the common stock dividend at an annual rate of \$1.73 per share, a five percent increase over the previous quarter's annualized rate. Consistent with the revised policy, on November 3, 2006, TXU Corp.'s board of directors declared a common stock dividend of 43.25 cents per share that was paid on January 2, 2007 to shareholders of record as of December 1, 2006, and on February 15, 2007, TXU Corp.'s board of directors declared a common stock dividend of 43.25 cents per share that will be payable April 2, 2007 to shareholders of record as of March 2, 2007. Subject to the restrictions in the Merger Agreement described in the following sentence, the dividend rate and annual dividend growth rate will be subject to regular review by TXU Corp.'s board of directors and may be changed based upon a number of factors. Under the terms of the Merger Agreement, TXU Corp. cannot declare or pay common stock dividends, except for regular quarterly dividends paid to holders of TXU Corp. common stock in an amount not to exceed 43.25 cents per share per quarter, with record dates of or no earlier than, March 2, 2007; June 1, 2007; September 1, 2007; December 1, 2007; March 1, 2008 and June 1, 2008, respectively. In addition, the Merger Agreement provides that no quarterly dividend will be declared with respect to the quarter in which the proposed merger is consummated unless the merger is consummated after the record date for that quarter.

Distributions paid on TXU Corp.'s common stock in 2006 were reported to the US Internal Revenue Service (IRS) and to shareholders as ordinary taxable dividends in accordance with IRS rules.

The number of record holders of the common stock of TXU Corp. as of February 23, 2007 was 49,125.

Item 6. SELECTED FINANCIAL DATA

The information required hereunder is set forth under Selected Financial Data included in Appendix A to this report.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required hereunder is set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations included in Appendix A to this report.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required hereunder is set forth under Quantitative and Qualitative Disclosures about Market Risk under Management's Discussion and Analysis of Financial Condition and Results of Operations included in Appendix A to this report.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required hereunder is set forth under Management's Annual Report on Internal Controls over Financial Reporting, Report of Independent Registered Public Accounting Firm, Statements of Consolidated Income, Statements of Consolidated Comprehensive Income, Statements of Consolidated Cash Flows, Consolidated Balance Sheets, Statements of Consolidated Shareholders' Equity and Notes to Financial Statements included in Appendix A to this report.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of TXU Corp.'s management, including the principal executive officer and principal financial officer, of the effectiveness of the design and operation of the disclosure controls and procedures in effect as of December 31, 2006. Based on the evaluation performed, TXU Corp.'s management, including the principal executive officer and principal financial officer, concluded that the disclosure controls and procedures were effective.

There have been no changes in TXU Corp.'s internal controls over financial reporting during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, TXU Corp.'s internal control over financial reporting.

See "Management's Annual Report on Internal Controls Over Financial Reporting" in Appendix A.

Item 9B. OTHER INFORMATION

None.