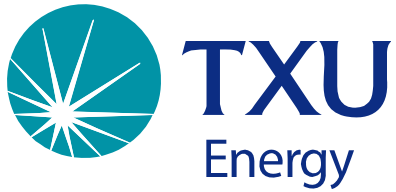


Energy Future Holdings



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# Q1 08 Investor Call

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May 19, 2008

# Safe Harbor Statement

***This presentation contains forward-looking statements, which are subject to various risks and uncertainties. Discussion of risks and uncertainties that could cause actual results to differ materially from management's current projections, forecasts, estimates and expectations is contained in EFH's filings with the Securities and Exchange Commission (SEC). In addition to the risks and uncertainties set forth in EFH's SEC filings, the forward-looking statements in this presentation regarding the company's long-term hedging program could be affected by, among other things: any change in the ERCOT electricity market, including a regulatory or legislative change, that results in wholesale electricity prices not being largely driven by natural gas prices, any decrease in market heat rates as the long-term hedging program does not mitigate exposure to changes in market heat rates and the unwillingness or failure of any hedge counterparty or the lender under the commodity collateral posting facility to perform its obligations under a long-term hedge agreement or the facility, as applicable, or any other unforeseen event that results in the inability to continue to use a first lien to secure a substantial portion of the hedges under the long-term hedging program. In addition, the forward-looking statements in this presentation regarding the on-line dates for the company's new generation plants could be affected by, among other things, the company's ability to timely manage the construction of the new plants as well as labor strikes or labor or materials shortages.***

## **Regulation G**

***This presentation includes certain non-GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included in either this presentation or the appendix of the version of the slides included on the company's website at [www.energyfutureholdings.com](http://www.energyfutureholdings.com) under Investor Resources/Presentations or filed with the SEC.***

# Today's Agenda

**Financial Overview**

**David Campbell**  
**Executive Vice President & CFO**

**Strategy and Operational  
Highlights**

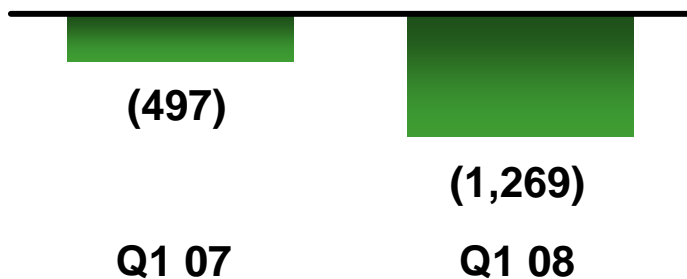
**John Young**  
**President & CEO**

**Q&A**

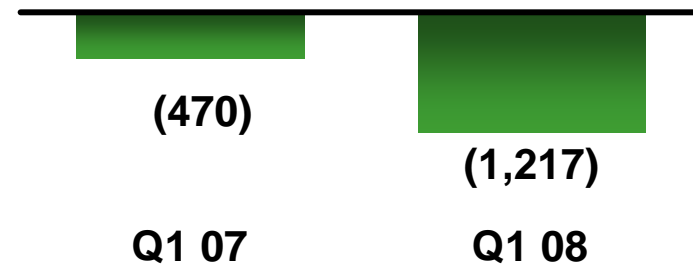
# EFH Corp. And Business Segment Reported Net Income (Loss)

Reported Net Income (Loss) by Segment  
Q1 07 vs. Q1 08; \$ millions

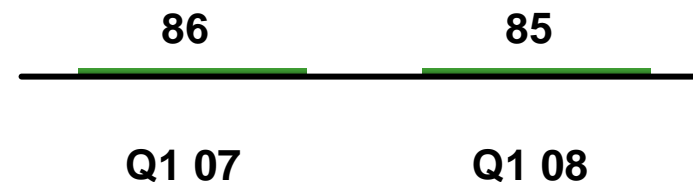
## EFH Corp. Consolidated



## Competitive Electric Segment

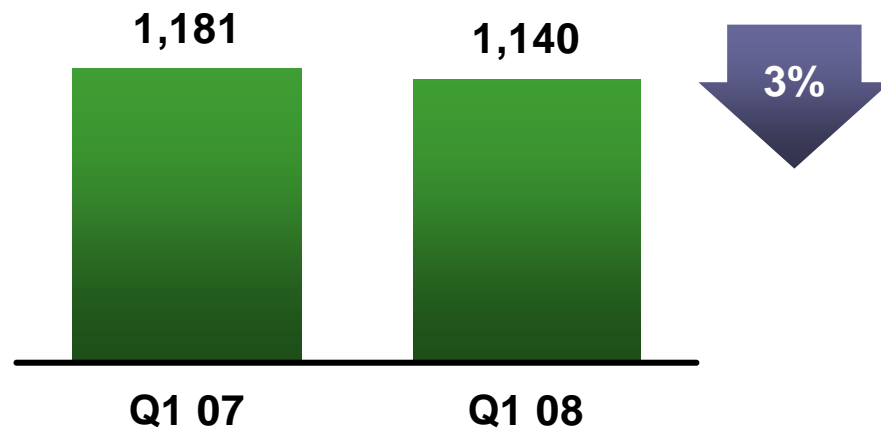


## Regulated Delivery Segment



# EFH Adjusted EBITDA Dropped 3% Between Q1 08 And Q1 07

EFH Corp. Adjusted EBITDA<sup>1</sup>  
Q1 07 vs. Q1 08; \$ millions



## Changes at TCEH drove virtually all of the Q1 08 variance:

- Lower average retail pricing including the 15% price discount
- Lower retail customer volumes due to lower average consumption and warmer winter weather
- Increased fuel and purchased power costs
- Increased nuclear generation and generation outage expense adjustments
- Increased wholesale electricity revenues

<sup>1</sup> EBITDA adjusted to exclude non-cash items, unusual items and other adjustments allowable under the EFH Senior Notes indenture. See definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure in the appendix of this presentation.

# TCEH Has Significantly Hedged Luminant's Natural Gas Position

## Natural gas forward hedges and impact of hedging program 2009 to 2013; Mixed measures

Factor	Measure	2009	2010	2011	2012	2013
Natural gas hedging program	mm MMBtu	354	508	521	492	400
Average price <sup>1</sup>	\$/MMBtu	\$8.26	\$7.89	\$7.56	\$7.36	\$7.25
Overall estimated percent of total TCEH/Luminant NG position hedged <sup>2</sup>	Percent	~80%	~93%	~93%	~85%	~71%

*TCEH has hedged more than 80% of Luminant's estimated natural gas exposure from 2009-2013. More than 95% of the hedge positions are supported directly by a first lien or by the TCEH Commodity Collateral Posting Facility.*

<sup>1</sup> Weighted average prices are based on actual sales prices of short positions in the corporate natural gas hedge program based on NYMEX Henry Hub.

<sup>2</sup> Assumes natural gas conversion based on a 7.5 heat rate with gas being on the margin ~85-95% of the time (when coal is on the margin, no natural gas position is assumed to be generated). Overall hedge ratio based on TCEH/Luminant position estimate as of 4/30/08 and includes estimate of fixed price sold forward positions, including retail and non-hedge program wholesale effects.

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**John Young**  
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**Q&A**

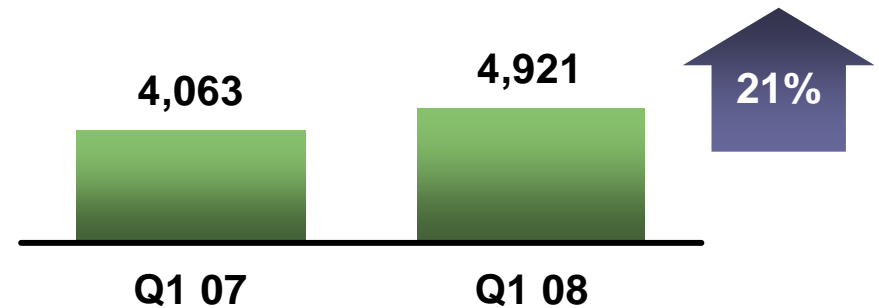
# Luminant Maintained Its Strong Execution Track Record

## Q1 08 Operational Results

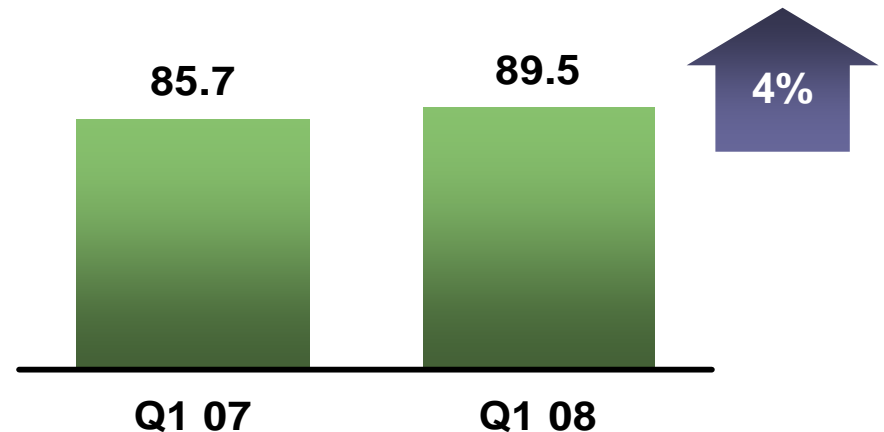
- Set record for lignite-fueled generation in the month of March
- Solid performance from baseload fleet
- Began the 2<sup>nd</sup> shortest refueling outage in Comanche Peak history – completed in April
- Progressed on safe construction of the Oak Grove 1 & 2 and Sandow 5 generation units
- Began construction on the Environmental Retrofit Program
- Completed move to new headquarters within D/FW area fulfilling merger commitment



Nuclear production  
Q1 07 vs. Q1 08; GWh



Capacity factor (nuclear and lignite)  
Q1 07 vs. Q1 08; Percent



# Progress Continued On Luminant's New Solid-Fuel Plants



## Sadow Unit 5 Rockdale, Texas



<b>Estimated net capacity</b>	<b>581 MW</b>
<b>Primary fuel</b>	<b>TX Lignite</b>
<b>Commercial operation date</b>	<b>2009</b>

## Oak Grove Steam Electric Station Robertson County, Texas



<b>Estimated net capacity</b>	<b>1,600 MW</b>
<b>Primary fuel</b>	<b>TX Lignite</b>
<b>Commercial operation date</b>	<b>Late 2009/Mid 2010</b>

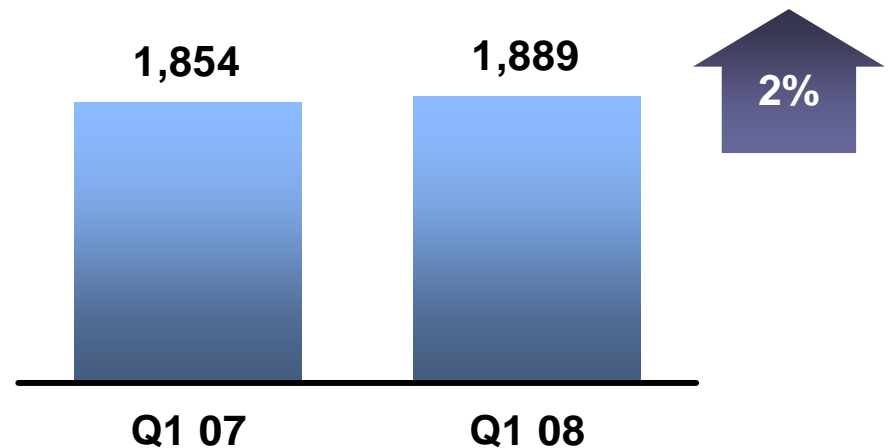
# TXU Energy Improved Its Overall Proposition for Customers, Resulting In Growth



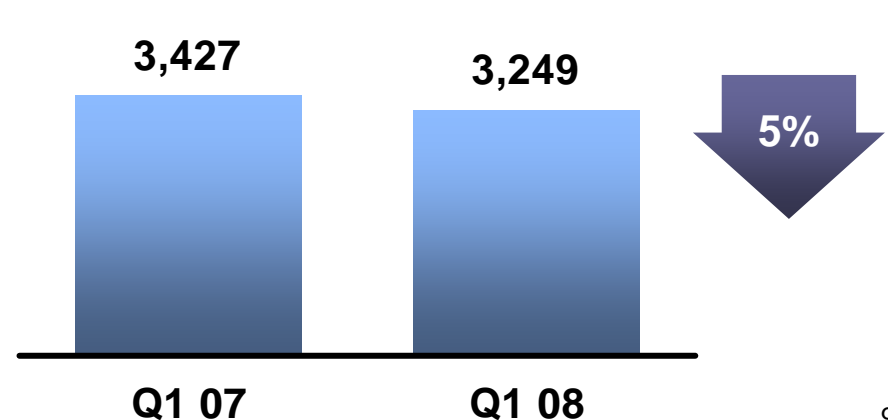
## Q1 08 Operational Results

- Continued to deliver 15% price discount
- 2% growth in residential customers
- Improved customer satisfaction with calls and agents
- Reduced complaints to PUC
- Reduced average residential and small business customer consumption
- Lower retail margins reflecting price discounts and higher wholesale prices
- Completed move to new headquarters within D/FW area fulfilling merger commitment

Residential customer counts  
Q1 07 vs. Q1 08; end of period, thousands



Average residential customer consumption  
Q1 07 vs. Q1 08; kWh



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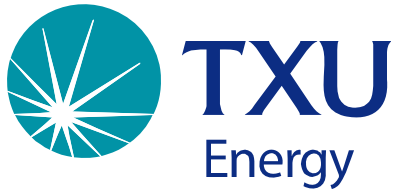
**John Young**  
**President & CEO**

**Q&A**



# Questions & Answers

Energy Future Holdings



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**Appendix –  
Regulation G Reconciliations**

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# Financial Definitions

Measure	Definition
Adjusted EBITDA (non-GAAP)	EBITDA adjusted to exclude non-cash items, unusual items and other adjustments allowable under the EFH Senior Notes bond indenture. Adjusted EBITDA is provided solely because of the important role that it plays in respect of certain covenants contained in the EFH Senior Notes bond indenture. Adjusted EBITDA is not intended to be an alternative to net income as a measure of operating performance or an alternative to cash flows from operating activities as a measure of liquidity or an alternative to any other measure of financial performance presented in accordance with GAAP, nor is it intended to be used as a measure of free cash flow available for management's discretionary use, as the measure excludes certain cash requirements such as interest payments, tax payments and other debt service requirements. Because not all companies use identical calculations, EFH's presentation of Adjusted EBITDA may not be comparable to similarly titled measures of other companies.
EBITDA (non-GAAP)	Income (loss) from continuing operations before interest income, interest expense and related charges, and income tax expense (benefit) plus depreciation and amortization and special items. EBITDA is a measure used by EFH to assess performance consistent with industry and peer group analytical measurements.
GAAP	Generally accepted accounting principles
Purchase Accounting (GAAP)	The purchase method of accounting for a business combination as prescribed by Statement of Financial Accounting Standards No. 141, "Business Combinations," whereby the cost or "purchase price" of a business combination, representing the amount paid for the equity and direct transaction costs, are allocated to identifiable assets and liabilities (including intangible assets) based upon their fair values. The excess of the purchase price over the fair values of assets and liabilities is recorded as goodwill.

**Table 1: EFH Corp. Adjusted EBITDA Reconciliation**  
**Three Months Ended March 31, 2008 and 2007**  
**\$ millions**

<b>Factor</b>	<b>Q1 08</b>	<b>Q1 07</b>
<b>Net income (loss)</b>	<b>(1,269)</b>	<b>(497)</b>
<b>Provision for income tax expense (benefit)</b>	<b>(660)</b>	<b>(273)</b>
<b>Interest expense and related charges</b>	<b>843</b>	<b>197</b>
<b>Depreciation and amortization</b>	<b><u>395</u></b>	<b><u>204</u></b>
<b>EBITDA</b>	<b>(691)</b>	<b>(369)</b>
<b>Adjustments to EBITDA (pre-tax):</b>		
<b>Oncor EBITDA</b>	<b>(329)</b>	<b>(326)</b>
<b>Oncor distributions/dividends</b>	<b>57</b>	<b>88</b>
<b>Interest income</b>	<b>(5)</b>	<b>(17)</b>
<b>Amortization of nuclear fuel</b>	<b>18</b>	<b>14</b>
<b>Unrealized mark-to-market net losses (gains) – primarily hedging program</b>	<b>1,594</b>	<b>764</b>
<b>Impairment of assets and inventory write-down<sup>1</sup></b>	<b>5</b>	<b>713</b>
<b>Purchase accounting adjustments<sup>2</sup></b>	<b>138</b>	<b>-</b>
<b>Expenses incurred to upgrade or expand a generation station<sup>3</sup></b>	<b>52</b>	<b>-</b>
<b>Transaction and merger expenses<sup>4</sup></b>	<b>14</b>	<b>52</b>
<b>Transition and business optimization costs<sup>5</sup></b>	<b>12</b>	<b>3</b>
<b>Loss on sales of receivables</b>	<b>8</b>	<b>9</b>

Note: Table and footnotes to this table continue on following page

**Table 1: EFH Corp. Adjusted EBITDA Reconciliation (continued from previous page)**  
**Three Months Ended March 31, 2008 and 2007**  
**\$ millions**

<b>Factor</b>	<b>Q1 08</b>	<b>Q1 07</b>
<b>Equity losses of unconsolidated affiliate engaged in BPL</b>	<b>3</b>	<b>1</b>
<b>Non-cash compensation expenses (FAS 123R)<sup>6</sup></b>	<b><u>2</u></b>	<b><u>7</u></b>
<b>Adjusted EBITDA per Incurrence Covenant</b>	<b>878</b>	<b>939</b>
<b>Add back Oncor adjustments</b>	<b><u>262</u></b>	<b><u>242</u></b>
<b>Adjusted EBITDA per Restricted Payments Covenants</b>	<b>1,140</b>	<b>1,181</b>

<sup>1</sup> Impairment of assets includes charges related to the canceled development of coal-fueled generation facilities.

<sup>2</sup> Purchase accounting adjustments include amortization of the intangible net asset value of retail and wholesale power sales agreements, environmental credits, coal purchase contracts and power purchase agreements and the stepped up value of nuclear fuel. Also includes certain credits not recognized in Net Income due to purchase accounting.

<sup>3</sup> Expenses incurred to upgrade or expand a generation station reflect non-capital outage costs.

<sup>4</sup> Transaction and merger expenses include costs related to the Merger, abandoned strategic transactions, and a terminated joint-venture. Also includes administrative costs related to the canceled program to develop coal-fueled generation facilities, the Sponsor management fee and costs related to certain growth initiatives.

<sup>5</sup> Transition and business optimization costs for Q1 08 period includes professional fees primarily for retail billing and customer care systems enhancements and incentive compensation. Transition and business optimization costs for Q1 07 represent professional fees primarily for retail billing and customer care systems enhancements and incentive compensation.

<sup>6</sup> Non-cash compensation expenses exclude capitalized amounts.