

TXU Corp. (now Energy Future Holdings Corp.)
Important Tax Information
Dividends Paid in 2007 Will Be Reported as Nontaxable Distributions

Dividends on TXU Corp.'s common stock in 2007, and prior to the Company's merger with Texas Energy Future Holdings Limited Partnership on October 10, 2007, will be reported to the Internal Revenue Service (IRS) and paid to shareholders as nontaxable distributions rather than as ordinary taxable dividends.

Per U.S. federal income tax rules, distributions on stock are "ordinary dividends" if there are current or accumulated earnings and profits¹ (E&P) sufficient to cover them. Distributions in excess of E&P are treated as "returns of capital" and are reported in Box 3 "Nontaxable distributions" on IRS Form 1099-DIV.

If you sold shares of the common stock of TXU Corp. through the Company's Direct Stock Purchase and Dividend Reinvestment Plan (Plan) during 2007, you will also receive a Form 1099-B from American Stock Transfer & Trust Company, as Administrator for the Plan, for any payment you received from such liquidation(s).

TXU Corp. shareholders of record, entitled to receive \$69.25 per share for each share of TXU Corp. common stock they owned on October 10, 2007, will receive a separate Form 1099-B from Mellon Investor Services LLC, as Paying Agent.

You should contact an independent tax advisory if you have questions about how this information impacts your particular tax situation.

January 21, 2008

¹ E&P is calculated based on IRS rules, which are different from net income under GAAP.

