

Pinnacle West is a Phoenix-based company with consolidated assets of \$11.3 billion and consolidated revenues of \$3 billion. Through our subsidiaries, we generate, sell and deliver electricity and sell energy-related products and services to retail and wholesale customers in the western United States. We also develop residential, commercial and industrial real estate projects.

STRATEGIC OBJECTIVES

<p>PROVIDE ARIZONA ELECTRICITY CUSTOMERS WITH OUTSTANDING SERVICE AND RELIABLE ENERGY AT FAIR PRICES</p>	<p>FOCUS ON SUPERIOR LONG-TERM TOTAL RETURNS FOR SHAREHOLDERS</p>	<p>ACTIVELY MANAGE OUR COSTS AND BUSINESS RISKS</p>	<p>WORK WITH REGULATORS TO ACHIEVE POSITIVE REGULATORY OUTCOMES THAT BENEFIT BOTH CUSTOMERS AND SHAREHOLDERS</p>
<p>MAXIMIZE THE LONG-TERM VALUE OF OUR ASSETS</p>	<p>CAPTURE GROWTH OPPORTUNITIES IN OUR ELECTRICITY MARKETS</p>	<p>INCREASE OUR RESOURCE PORTFOLIO CONSISTENT WITH OUR NATIVE LOAD, ENVIRONMENTAL FACTORS, CASH FLOW AND MARKET CONDITIONS</p>	<p>MAINTAIN A DISCIPLINED FOCUS ON OUR LONG-TERM GOALS WHILE REMAINING AGILE</p>