



PINNACLE WEST
CAPITAL CORPORATION

INVESTOR FACTS

1st Quarter 2009

NYSE: PNW

ABOUT PINNACLE WEST

Pinnacle West Capital Corporation (PNW) is a Phoenix-based company with consolidated assets of approximately \$11.4 billion and consolidated revenues of \$3.3 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.

Strategic Objectives:

- Focus on superior long-term total returns for shareholders
- Provide Arizona electricity customers with outstanding service and reliable energy at fair prices
- Actively manage our costs and business risks
- Work with regulators to achieve positive regulatory outcomes that benefit both customers and shareholders
- Maximize long-term value of our assets
- Capture growth opportunities in our electricity markets
- Increase our resource portfolio consistent with our native load, environmental factors, cash flow and market conditions
- Implement business practices that support a strong economy, a healthy environment and prosperous communities for Arizona

KEY INVESTMENT CONCEPTS

- \$2.10 per share indicated annual dividend
- Profitability and operational excellence emphasized
- Investment-grade credit ratings
- S&P 500 Index member
- International recognition for environmental and social responsibility
- Principal subsidiary:
 - Arizona Public Service Company, Arizona's largest electric utility

FINANCIAL HIGHLIGHTS

HIGHLIGHTS

(in millions, except per share data, unaudited)

	12 Months Ended 3/13/09	Year Ended December 31,		
		2008	2007	2006
INCOME				
Regulated Electricity Segment Revenues	\$ 3,107	\$ 3,127	\$ 2,918	\$ 2,635
Net Income Attributable to Common Shareholders (a)	\$ 90 (b)	\$ 242	\$ 307	\$ 327
BALANCE SHEET				
Total Assets	\$ 11,418	\$ 11,620	\$ 11,162	\$ 10,818
Common Stock Equity	\$ 3,163	\$ 3,446	\$ 3,532	\$ 3,446
PER SHARE				
Earnings Per Share Attributable to Common Shareholders – Diluted (a)	\$ 0.89 (b)	\$ 2.40	\$ 3.05	\$ 3.27
Indicated Annual Dividend Rate – End of Period	\$ 2.10	\$ 2.10	\$ 2.10	\$ 2.10
Book Value – End of Period	\$ 31.29	\$ 34.16	\$ 35.15	\$ 34.48
STOCK PERFORMANCE				
Stock Price – End of Period	\$ 26.56	\$ 32.13	\$ 42.41	\$ 50.69
Market Capitalization – End of Period	\$ 2,688	\$ 3,243	\$ 4,263	\$ 5,067
ANNUAL GROWTH RATES				
Earnings Per Share Attributable to Common Shareholders – Diluted (a)	(68.7)% (b)	(21.3)%	(6.7)%	79.7 %
Indicated Annual Dividends Per Share	0.0 %	0.0 %	0.0 %	5.0 %
Regulated Electricity Segment Revenues	3.4 %	7.2 %	10.7 %	17.8 %
Electric Sales in Kilowatt-Hours	(17.0)%	(15.7)%	(13.2)%	(12.4)%
Electric Customers – Average	0.8 %	1.4 %	3.3 %	4.4 %

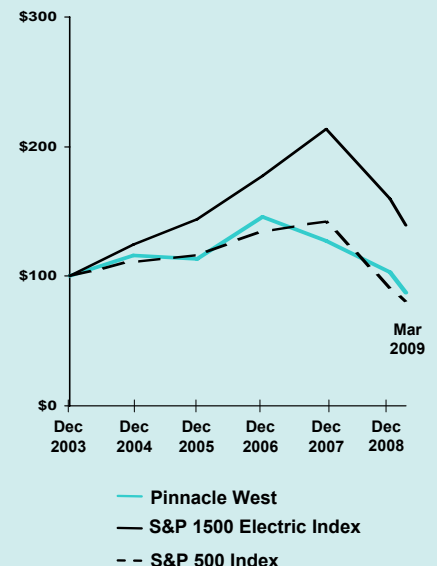
(a) Includes non-recurring items.

(b) Includes real estate impairment and related charges of approximately \$160 million, or \$1.58 per share.

STOCK PERFORMANCE COMPARISON

TOTAL RETURN

Value of \$100 Invested at December 31, 2003
With Dividends Reinvested



OPERATING HIGHLIGHTS

	12 Months Ended	Year Ended December 31,		
	3/31/09	2008	2007	2006
ELECTRIC SALES (GWH)*				
Retail Sales	28,440	28,794	29,171	27,970
Other	4,370	4,157	3,430	4,086
Total Regulated	32,810	32,951	32,601	32,056
Marketing and Trading	1,522	2,434	9,397	16,355
Total Electric Sales	34,332	35,385	41,998	48,411
CUSTOMERS				
Average	1,113,836	1,101,956	1,086,388	1,051,972
End of Period	1,104,079	1,111,544	1,101,491	1,075,269

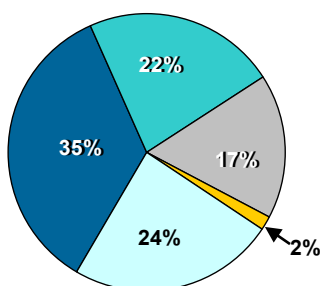
* A gigawatt-hour equals one million kilowatt-hours

ANALYST COVERAGE (EQUITY)

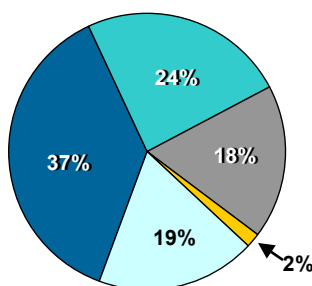
Argus Research
 Bank of America Securities
 – Merrill Lynch
 Barclays Capital
 BMO Capital Markets
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 Deutsche Bank Securities
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 Standard & Poor's Corporation
 UBS Securities
 Value Line

2008 ENERGY FUEL MIX

Consolidated

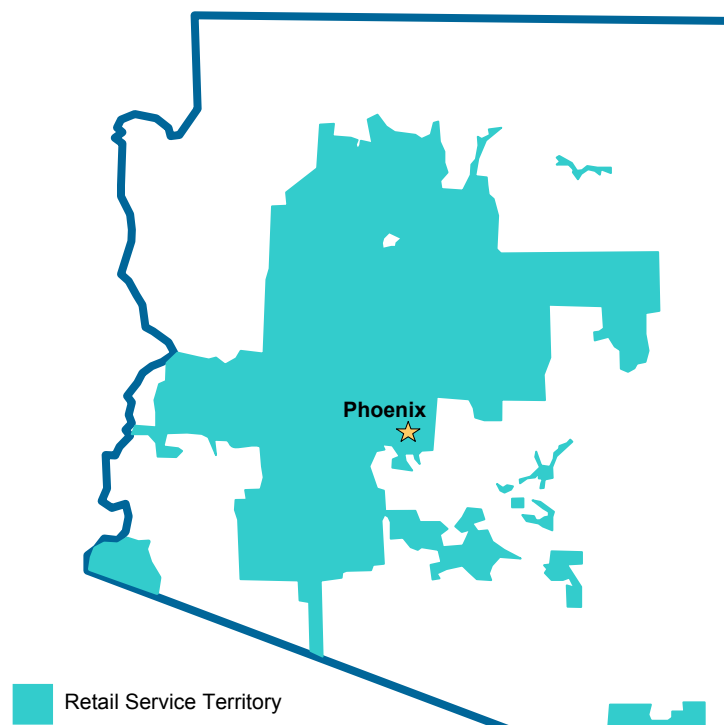


Regulated



■ Coal
 ■ Nuclear
 ■ Gas
 ■ Renewables
 ■ Purchased Power

RETAIL ELECTRIC SERVICE TERRITORY



CONTACT INFORMATION

Street Address

400 North 5th Street
 Phoenix, Arizona 85004

Mailing Address

P.O. Box 53999
 Phoenix, Arizona 85072-3999

Main Telephone Number

(602) 250-1000

Corporate Web Site

<http://www.pinnaclewest.com>

Investor Relations

Rebecca Hickman, Director
 (602) 250-5668
 Lisa Malagon, Manager
 (602) 250-5671

Investors Advantage Plan

(direct stock purchase and dividend reinvestment plan)
 Transfer Agent & Registrar
 BNY Mellon Shareowner Services
 1-800-457-2983 (toll free)

Arizona Investment Council

2100 North Central Avenue, #210
 Phoenix, Arizona 85004
<http://www.arizonaic.org>

Media Relations

Alan Bunnell
 (602) 250-3376