

PINNACLE WEST CAPITAL CORPORATION
NON-GAAP FINANCIAL MEASURE RECONCILIATION
NET INCOME (GAAP MEASURE TO)
ON-GOING EARNINGS (NON-GAAP FINANCIAL MEASURE)

	Three Months Ended		Three Months Ended	
	March 31, 2009		March 31, 2008	
	\$ Millions	Diluted	\$ Millions	Diluted
	After Tax	EPS	After Tax	EPS
Net income (loss) attributable to common shareholders	\$ (156.5)	\$ (1.55)	\$ (4.5)	\$ (0.04)
Adjustments:				
Real estate impairment and related charges	127.4	1.26	-	-
On-going earnings	<u>\$ (29.1)</u>	<u>\$ (0.29)</u>	<u>\$ (4.5)</u>	<u>\$ (0.04)</u>