

# Consolidated Statements of Common Shareholders' Equity and Comprehensive Income

	Common Stock		Other Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount				
(millions)						
Balance at December 31, 2004	680	\$10,888	\$ 92	\$1,442	\$ (996)	\$11,426
Comprehensive income:						
Net income				1,033		1,033
Net deferred derivative losses—hedging activities, net of \$1,648 tax					(2,846)	(2,846)
Unrealized gains on investment securities, net of \$19 tax					27	27
Minimum pension liability adjustment, net of \$3 tax					4	4
Foreign currency translation adjustments					10	10
Amounts reclassified to net income:						
Net realized gains on investment securities, net of \$8 tax					(11)	(11)
Net derivative losses—hedging activities, net of \$723 tax					1,250	1,250
Foreign currency translation adjustments					(2)	(2)
Total comprehensive income				1,033	(1,568)	(535)
Issuance of stock—employee and direct stock purchase plans	—	9				9
Stock awards and stock options exercised (net of change in unearned compensation)	12	363				363
Issuance of stock—forward equity transaction	10	319				319
Stock repurchase and retirement	(7)	(276)				(276)
Cash settlement—forward equity transaction	—	(17)				(17)
Tax benefit from stock awards and stock options exercised			31			31
Dividends and other adjustments			2	(925)		(923)
Balance at December 31, 2005	695	11,286	125	1,550	(2,564)	10,397
Comprehensive income:						
Net income				1,380		1,380
Net deferred derivative gains—hedging activities, net of \$625 tax					1,173	1,173
Changes in unrealized gains on investment securities, net of \$83 tax					126	126
Minimum pension liability adjustment, net of \$7 tax					10	10
Foreign currency translation adjustments					(8)	(8)
Amounts reclassified to net income:						
Net realized gains on investment securities, net of \$6 tax					(9)	(9)
Net derivative losses—hedging activities, net of \$724 tax					1,182	1,182
Total comprehensive income				1,380	2,474	3,854
Adjustment to initially apply SFAS No. 158, net of \$239 tax					(335)	(335)
Issuance of stock—employee and direct stock purchase plans	2	95				95
Stock awards and stock options exercised (net of change in unearned compensation)	3	79				79
Issuance of stock—forward equity transaction	9	330				330
Stock repurchase and retirement	(11)	(540)				(540)
Tax benefit from stock awards and stock options exercised			8			8
Dividends and other adjustments			(5)	(970)		(975)
Balance at December 31, 2006	698	11,250	128	1,960	(425)	12,913
Comprehensive income:						
Net income				2,539		2,539
Net deferred derivative losses—hedging activities, net of \$140 tax					(223)	(223)
Changes in unrealized gains on investment securities, net of \$75 tax					(110)	(110)
Changes in net unrecognized pension and other postretirement benefit costs, net of \$80 tax					164	164
Amounts reclassified to net income:						
Net realized losses on investment securities, net of \$4 tax					8	8
Net derivative losses—hedging activities, net of \$376 tax					603	603
Net pension and other postretirement benefit costs, net of \$10 tax					21	21
Recognition of foreign currency translation gains upon sale of foreign subsidiary					(50)	(50)
Total comprehensive income				2,539	413	2,952
Stock awards and stock options exercised (net of change in unearned compensation)	8	251				251
Stock repurchase and retirement	(129)	(5,768)				(5,768)
Tax benefit from stock awards and stock options exercised			46			46
Adoption of FIN 48				(58)		(58)
Dividends and other adjustments			1	(931)		(930)
Balance at December 31, 2007	577	\$ 5,733	\$175	\$3,510	\$ (12)	\$ 9,406

The accompanying notes are an integral part of our Consolidated Financial Statements.