

# PowerStream Inc.

## Balance Sheet

September 30, 2009

(in thousands of dollars)(Unaudited)

### ASSETS

#### CURRENT

Cash	\$	18,006
Restricted cash - current portion of customers' deposits		2,979
Accounts receivable		81,940
Unbilled revenue		71,523
Income taxes recoverable		3,223
Inventory		7,239
Prepays and other		1,532

186,442

#### PROPERTY, PLANT AND EQUIPMENT

577,838

#### OTHER ASSETS

Restricted cash - non-current portion of customers' deposits		15,747
Deferred debt issue costs, net of amortization		652
Future Income Tax Assets		68,424
Goodwill		42,543

\$ 891,646

### LIABILITIES

#### CURRENT

Accounts payable and accrued liabilities	\$	104,717
Due to related parties		18,961
Short term Loan		40,000
Liability for subdivision development		2,899

166,577

#### LONG-TERM LIABILITIES

Notes payable	\$	182,430
Debentures payable		122,929
Bank term loan		50,000
Regulatory liabilities		68,880
Customers' deposits		15,747
Employee future benefits		12,059
Liability for subdivision development		2,000
Other liabilities		5,300

459,345

### SHAREHOLDERS' EQUITY

SHARE CAPITAL 247,184

RETAINED EARNINGS 18,540

265,724

\$ 891,646

# PowerStream Inc.

## Statement of Earnings and Retained Earnings

Nine Month Period ended September 30, 2009  
(in thousands of dollars)(Unaudited)

	<u>2009</u> (9 months)
REVENUE	
Sale of Energy	454,035
Distribution Revenue	107,769
Other Revenue	5,836
<b>Total Revenue</b>	<b>567,640</b>
Cost of Power Purchased	454,035
	<b>113,605</b>
Operating Expenses	<b>39,732</b>
Earnings before Amortization, Interest and Income Taxes	73,873
Amortization of Capital Assets and Intangibles	31,402
Net Interest Expense	16,117
<b>INCOME BEFORE INCOME TAXES</b>	<b>26,354</b>
<b>INCOME TAX EXPENSE</b>	<b>7,814</b>
Net earnings and comprehensive income for the period	<b>18,540</b>
Retained Earnings, Beginning of Period	-
Dividends	-
<b>Retained Earnings, End of Period</b>	<b>\$ 18,540</b>

**PowerStream Inc.**

**Statement of Cash Flows**

Nine Month Period ended September 30, 2009

(in thousands of dollars)(Unaudited)

**NET INFLOW (OUTFLOW) OF CASH RELATED  
TO THE FOLLOWING ACTIVITIES**

**OPERATING**

Net earnings for the period	18,540
Adjustments to determine cash provided by operating activities	
Amortization of property, plant and equipment	32,674
Amortization of debt issue costs	467
Amortization of intangibles	1
Employee future benefits	946
Increase in regulatory liabilities	49,317
Gain on disposal of capital assets	(177)
Future Income Tax Assets	(68,424)
Net change in non-cash operating working capital	(23,216)
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	10,128

**FINANCING**

Decrease in liability for subdivisions development	(6,556)
Increase in due to related parties	9,062
Increase in long-term customers' deposits	244
Decrease in other liabilities	(168)
Share Capital Adjustment/ Dividends	(31,082)
Increase in Short Term Loan	15,000
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	(13,500)

**INVESTING**

Decrease in Deferred Debt issue cost	23
Proceeds on disposal of capital assets	186
Expenditure on Property, Plant & Equipment net of contribution of capital constructic	(44,341)
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	(44,132)

**NET INCREASE IN CASH DURING THE PERIOD** (47,504)

**CASH, BEGINNING OF PERIOD** 65,510

**CASH AND CASH EQUIVALENTS,  
END OF PERIOD** \$ 18,006