

**ST LUCIA ELECTRICITY SERVICES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2008**

	<b>Unaudited</b>	<b>Unaudited</b>
	<b>September 30,</b>	<b>September 30,</b>
	<b>2008</b>	<b>2007</b>
	EC\$ 000s	EC\$ 000s
<b>Cash flows from Operating Activities</b>		
Net Income Before Tax	28,913	30,311
Adjustments for		
Depreciation	21,933	19,754
Finance Charges	6,761	4,564
Gain on Disposal of Property, Plant and Equipment	(196)	(2)
Amortization of Consumer Contributions	(1,127)	(1,133)
Gain on Foreign Exchange	(9)	(9)
Operating Income before Working Capital Changes	56,284	53,485
Increase in Accounts Receivable and Prepayments	(10,739)	(7,848)
Increase in Deferred Expenses	(1,286)	0
Increase in Inventories	(6,292)	(1,160)
Increase/(Decrease) in Trade and Other Payables	8,922	(6,305)
Cash Generated from Operations	46,889	38,172
Interest Received	170	
Interest Paid	(5,604)	(4,555)
Income Tax Paid	(12,354)	(5,715)
Net Cash from Operating Activities	29,101	27,902
<b>Cash Flows from Investing Activities</b>		
Purchase of Available for Sale Financial Asset	(1,663)	(643)
Purchase of Property, Plant and Equipment	(14,028)	(32,898)
Proceeds on Disposal of Property, Plant and Equipment	196	2
Net Cash from Investing Activities	(15,495)	(33,540)
<b>Cash Flows from Financing Activities</b>		
Proceeds from Borrowings	0	39,181
Repayment of Borrowings	(12,186)	(17,658)
Decrease in Tariff Reduction Reserve	474	(818)
Dividends Paid	(9,012)	(10,754)
Consumer Contributions Received	2,536	2,177
Consumer Deposits Received/(paid) net	724	694
Net Cash used in Financing Activities	(17,464)	12,823
<b>Increase in Cash and Cash Equivalents</b>	<b>(3,859)</b>	<b>7,185</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>767</b>	<b>2,132</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>(3,093)</b>	<b>9,317</b>

