

**PowerStream Inc.**  
**Unaudited Balance Sheet**

March 31, 2016  
(In thousands of dollars)

	March 31, 2016	December 31, 2015
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	2,112	6,859
Accounts receivable, net of allowance	108,015	105,942
Unbilled revenue	104,541	94,657
Due from related parties	17,280	13,654
Income taxes receivable	12,259	9,734
Inventories	3,018	3,226
Prepays and other	4,944	5,208
	252,169	239,280
<b>PROPERTY, PLANT AND EQUIPMENT</b>	1,125,320	1,119,147
<b>OTHER ASSETS</b>		
Intangibles	52,610	53,073
Investment in a joint venture	8,169	8,169
Deferred tax assets	7,227	7,227
Goodwill	42,543	42,543
	1,488,038	1,469,439
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Short-term debt	80,000	50,000
Accounts payable and accrued liabilities	119,283	145,962
Customers' deposit	16,331	15,991
Due to related parties	19,366	19,075
Liability for subdivision development	4,417	4,820
Current portion of finance lease obligation	360	360
Infrastructure Ontario financing	74,627	74,691
Notes payable	-	20,000
	314,384	330,899
<b>LONG-TERM LIABILITIES</b>		
Notes payable	182,430	162,430
Debentures payable	347,438	347,407
Post-employment benefits	18,586	18,309
Deferred revenue	140,233	138,406
Long-term portion of finance lease obligation	16,008	16,095
	704,695	682,647
<b>SHAREHOLDERS' EQUITY</b>		
SHARE CAPITAL	342,184	342,184
OTHER COMPREHENSIVE INCOME	2,083	2,083
RETAINED EARNINGS	124,692	111,626
	468,959	455,893
	1,488,038	1,469,439

# PowerStream Inc.

## Unaudited Statement of Income

Period ended March 31, 2016

(In thousands of dollars)

	March 31, 2016 (3 months)	March 31, 2015 (3 months)
	\$	\$
REVENUE		
Sale of energy	271,936	238,222
Distribution revenue	40,798	39,813
Other revenue	5,506	4,937
Total revenue	318,240	282,972
Cost of power purchased	264,370	230,458
Operating expenses	23,558	21,324
Depreciation and amortization	13,401	10,525
	16,911	20,665
Interest income	104	167
Interest expense	6,474	6,017
Income before income taxes	10,541	14,815
Income tax expense	(2,525)	536
Net income for the period	13,066	14,279

**PowerStream Inc.****Unaudited Statements of changes in equity**

Period ended March 31, 2016

(In thousands of dollars)

	Share Capital	Accumulated other comprehensive income	Retained earnings	Total
	\$	\$	\$	\$
<b>As at January 1, 2016</b>	<b>342,184</b>	<b>2,083</b>	<b>111,626</b>	<b>455,893</b>
Net income	-	-	<b>13,066</b>	<b>13,066</b>
Issuance of Class A common shares	-	-	-	-
<b>Balance at March 31, 2016</b>	<b>342,184</b>	<b>2,083</b>	<b>124,692</b>	<b>468,959</b>
<b>As at January 1, 2015</b>	327,184	1,819	114,297	443,300
Net income	-	-	14,279	14,279
Issuance of Class A common shares	-	-	-	-
<b>Balance at March 31, 2015</b>	327,184	1,819	128,576	457,579

**PowerStream Inc.****Unaudited Statement of Cash Flows**

Period ended March 31, 2016

(In thousands of dollars)

	March 31, 2016 ( 3 months)	March 31, 2015 ( 3 months)
	\$	\$
OPERATING ACTIVITIES		
Net income for the period	13,066	14,279
Adjustments to determine cash provided by operating activities:		
Depreciation of property, plant and equipment	11,570	9,716
Accretion of debentures payable	31	29
Amortization of intangible assets	1,831	809
Post-employment benefits	277	278
Loss on disposal of property, plant and equipment	385	87
Amortization of deferred revenue	870	702
Deferred income taxes	-	4,171
(Decrease) Increase in liability for subdivisions development	(403)	400
Net change in non-cash operating working capital	(43,684)	(30,450)
Cash (used in) generated from operating activities	(16,057)	21
FINANCING ACTIVITIES		
Proceeds from short-term loan	30,000	25,000
Principal payments on finance lease obligation	(87)	(81)
Repayment of Infrastructure Ontario debentures	(64)	(42)
Net cash generated from financing activities	29,849	24,877
INVESTING ACTIVITIES		
Proceeds received from customers (capital contributions)	957	1,429
Purchase of intangibles	(1,368)	(2,746)
Purchase of property, plant and equipment	(18,128)	(23,498)
Net cash used in investing activities	(18,539)	(24,815)
(DECREASE) INCREASE IN CASH DURING THE PERIOD	(4,747)	83
CASH, BEGINNING OF PERIOD	6,859	23,110
CASH, END OF PERIOD	2,112	23,193