

HYDRO ONE NETWORKS INC.  
DISTRIBUTION  
Pro Forma Statement of Income  
Bridge Year (2009) and Forecast Years (2010- 2011)  
Year Ending December 31  
(\$ Millions)

Line No.	Particulars	2009 (a)	2010 (b)	2011 (c)
	<u>Revenues</u>			
1	Retail power & energy	1,014	1,123	1,253
2	Commodity flow-through	1,990	2,008	1,995
3	LV	28	27	27
4	Other	43	48	48
5		<u>3,075</u>	<u>3,207</u>	<u>3,323</u>
	<u>Costs</u>			
6	OM&A	542	575	591
7	Cost of power	1,990	2,008	1,995
8	Depreciation	258	283	316
9	Capital tax	11	4	-
10		<u>2,801</u>	<u>2,871</u>	<u>2,901</u>
11	Earnings before interest and income tax	<u>274</u>	<u>336</u>	<u>422</u>
12	Interest expense	117	130	143
13	Earnings before income tax	<u>156</u>	<u>206</u>	<u>279</u>
14	Income tax	(4)	26	55
15	Net income	<u><u>161</u></u>	<u><u>180</u></u>	<u><u>224</u></u>