

ST. LUCIA ELECTRICITY SERVICES LIMITED
UNAUDITED BALANCE SHEET
As at June 30, 2004
(Expressed in Eastern Caribbean Dollars)

	Unaudited June 30 2004 \$000's	Audited December 31 2003 \$000's
Assets		
Current Assets		
Cash & Equivalents	2,172	6
Accounts Receivable and Prepayments (Net)	39,200	33,390
Inventories	10,404	10,122
	51,776	43,518
Unit Trust Investment	617	610
Retirement Benefit Asset	1,983	1,983
Property, Plant and Equipment (Net)	254,170	252,887
	308,546	298,998
Liabilities		
Current Liabilities		
Borrowings	6,784	14,469
Accounts Payable and Accrued Expenses	10,430	9,921
Income Tax Payable	5,611	2,860
Dividends Payable	5,544	8,493
	28,370	35,743
Borrowings	82,518	75,927
Consumer Deposits	6,263	9,001
Deferred Tax Liability	33,345	32,083
Consumer Contributions	22,791	23,267
	173,288	176,021
Shareholders' Equity		
Share Capital	80,163	80,163
Retained Earnings	53,113	40,831
	133,276	120,994
Reserves		
Retirement Benefit Reserve	1,983	1,983
	308,546	298,998

Approved by : Director

Director

UNAUDITED STATEMENT OF INCOME
For the six-months ended June 30, 2004
(Expressed in Eastern Caribbean Dollars)

	Unaudited June 30 2004 \$000's	Unaudited June 30 2003 \$000's
Revenue		
Energy Sales	54,436	50,755
Fuel Surcharge Recovered	26,070	23,508
Other Revenue	312	237
	80,817	74,500
Operating Expenses		
Diesel Generation	12,329	9,832
Transmission and Distribution	11,263	11,791
Fuel Surcharge	25,786	23,063
	49,377	44,686
Gross Income	31,440	29,814
Administrative Expenses	8,515	10,168
Net Operating Income	22,926	19,646
Other Income	-	(56)
Net Income Before Finance Charges & Tax	22,926	19,590
Finance Charges	3,020	3,847
Net Income Before Tax	19,905	15,743
Realized Loss on Exchange	(6)	-
Income Tax	7,617	5,908
Net Income for the Period	12,282	9,835
Earnings Per Share	1.05	0.84

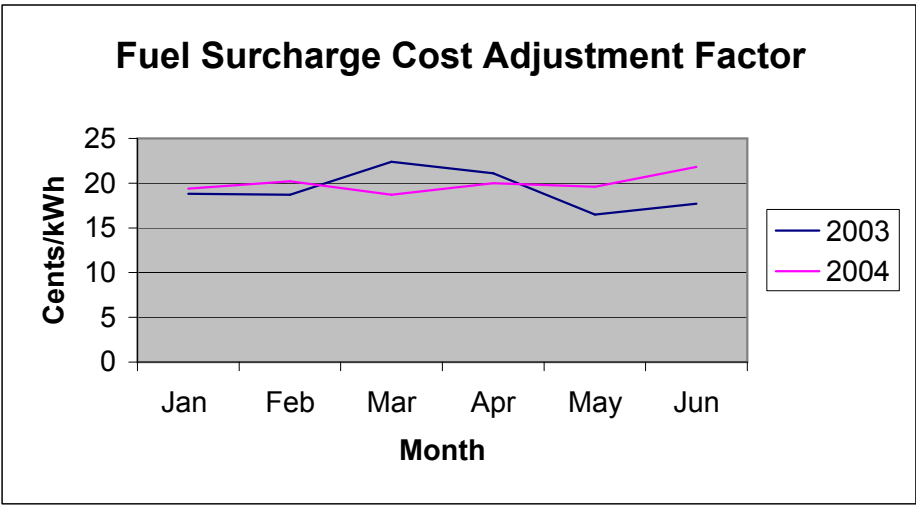
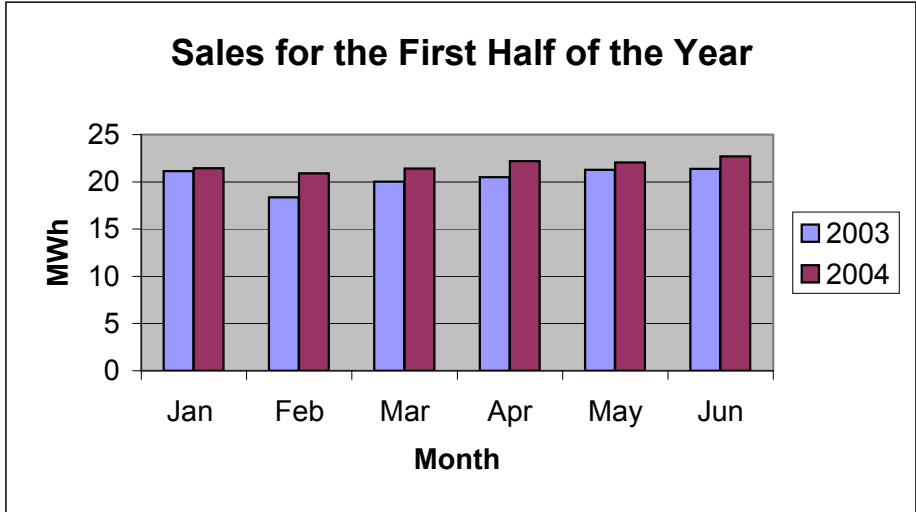
UNAUDITED STATEMENT OF RETAINED EARNINGS
For the Six Months ended June 30, 2004
(Expressed in Eastern Caribbean Dollars)

	Unaudited June 30 2004 \$000's	Unaudited June 30 2003 \$000's
Balance at Beginning of Period	40,831	35,038
Net Income for the Period	12,282	9,835
Transfer to Retirement Benefit Reserve	-	-
Ordinary Dividends	-	-
Balance at End of Period	53,113	44,873

LUCELEC IN THE FIRST HALF OF 2004

	Unaudited June 30 2004	Unaudited June 30 2003
Operating Highlights		
Number of Customers	51,022	49,610

Peak Demand (kW)	45,200	44,600
Installed Capacity (kW)	55,600	66,400
Units Generated (kWh x 1000)	151,135	145,366
Losses & Own Use (kWh)	20,447	22,749
Units Sold (kWh x 1000)	130,688	122,617
Fuel Efficiency (kWh/ Imp.Gall.)	19.41	19.40



Personal shareholdings of Directors as at 30th June 2004 are as follows:

Mr. Marius St. Rose	33,900 shares
Mr. Trevor Louisy	2,214 shares
Ms. Emma Hippolyte	150 shares