



## Toronto Hydro Corporation Releases its 2011 Financial Statements and Related MD&A

Year Ended December 31 (in millions of dollars, audited)		
	2011 \$	2010 \$
Net Income	95.9	66.1
Net Revenues	570.8	549.4
Capital Expenditures	437.1	390.8

**Toronto, Canada, March 2, 2012** – Toronto Hydro Corporation (the “Corporation”) announced today that it has filed with Canadian security regulators its consolidated financial statements and related MD&A for the year ended December 31, 2011. Copies may be obtained from the Corporation or accessed through [www.sedar.com](http://www.sedar.com).

- Net income was \$95.9 million in 2011 compared to \$66.1 million in 2010.
- Net revenues were higher at \$570.8 million in 2011 compared to \$549.4 million in 2010.
- Capital Expenditures were higher at \$437.1 million in 2011 compared to \$390.8 million in 2010.

“The Corporation performed very well in 2011 completing the OEB-approved most successful capital construction program in its 100 year history. Significantly, we achieved a record high of two million hours without a lost time injury while integrating new electrical trade apprentices into our workforce as part of our strategic workforce renewal program. Following recent regulatory developments, we are now preparing the organization to operate effectively under the incentive regulation mechanism framework,” said Anthony Haines, President and Chief Executive Officer.

### Financial Highlights

Net income was \$95.9 million in 2011, compared to \$66.1 million in 2010. The increase in net income was primarily due to:

- higher net revenues (\$21.4 million);
- lower depreciation expense (\$18.4 million); and
- lower provision for payment in lieu of taxes (\$16.8 million).

These favourable variances were partially offset by higher operating expenses (\$20.2 million) incurred to maintain the aging infrastructure of the regulated electricity distribution business.

**Financial Highlights**  
**Year ended December 31**  
(in millions of dollars, audited)

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Net Income	95.9	66.1
Net Revenues	570.8	549.4
Operating Expenses	243.5	223.3
Depreciation and Amortization	151.0	169.4
Net Financing Charges	75.3	71.2
Gain on Disposals of Property, Plant and Equipment	3.9	3.8
Provision for Payment in Lieu of Taxes	8.8	25.6
Capital Expenditures	437.1	390.8

**About Toronto Hydro**

The Corporation is a holding company which wholly-owns two subsidiaries:

- Toronto Hydro-Electric System Limited (“LDC”) — distributes electricity and engages in conservation and demand management activities; and
- Toronto Hydro Energy Services Inc. (“TH Energy”) — provides street lighting services.

The principal business of the Corporation is the distribution of electricity by LDC. LDC owns and operates an electricity distribution system that delivers electricity to approximately 709,000 customers located in the City of Toronto.

*For further information, please contact:*

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