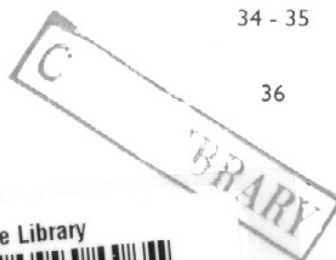




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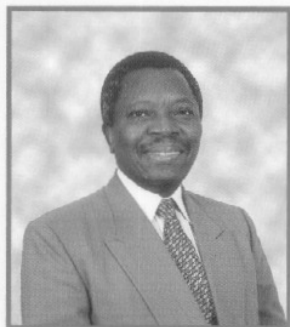
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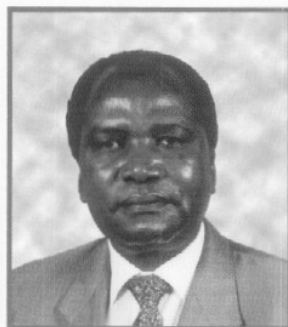
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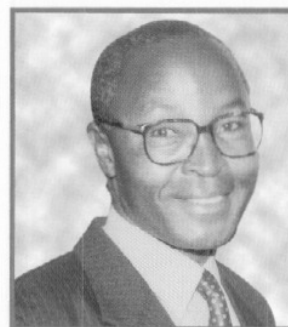
BOARD OF DIRECTORS



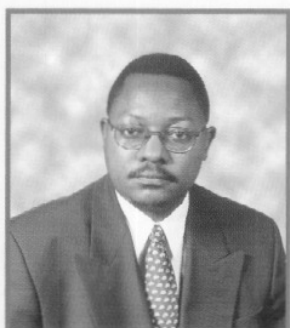
Jonathan Mturi



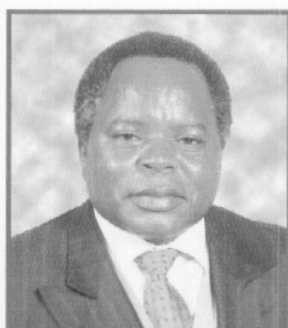
Edwin Wasunna



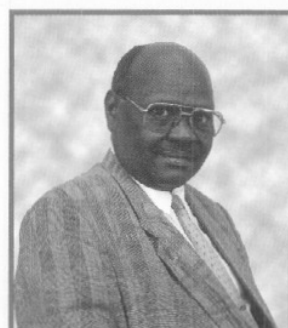
Mwanyengela Ngali



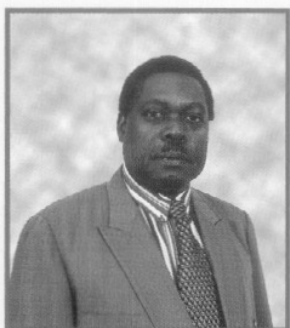
Martin Oduor-Otieno



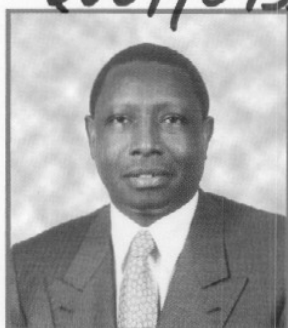
Joshua Mwendwa



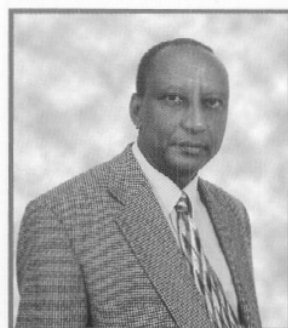
Edward Cheruiyot



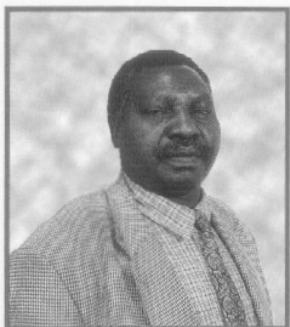
Dr E Ambeva



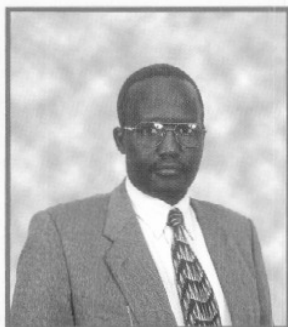
Joseph Mugwe



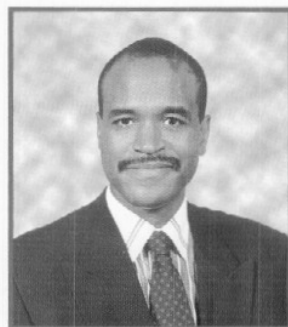
Noor Ali



Michael R Maina



M Kigen



K Mbathi

1. Kengen -- Periodicals
2. Electric Utilities -- Keng -- Periodicals

2007/0955

CORPORATE INFORMATION

Directors

J D Mturi	Chairman
E D Wasunna	Managing Director
M Ngali	
M L Oduor-Otieno	
J M Mugwe SS	
J Mwendwa	
Dr E Ambeva	
N Ali	
M R Maina	
E K Cheruiyot	

M Kigen	Alternate to M Ngali
K Mbathi	Alternate to M L Oduor-Otieno

Secretary

A H Ali

Registered Office

Stima Plaza
Kolobot Road
P. O. Box 47936
Nairobi

Bankers

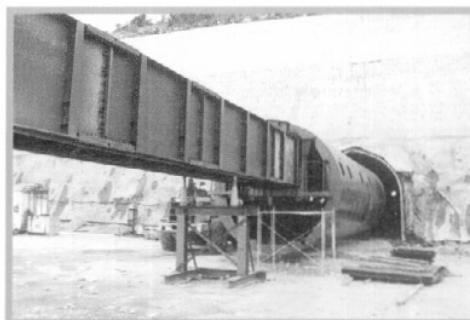
ABN AMRO Bank Limited
Nyerere Avenue
P.O. Box 30262
Nairobi

Co-operative Bank of Kenya Limited
Stima Plaza
Kolobot Road
P.O. Box 48231
Nairobi

Commercial Bank of Africa
Commercial Bank Building,
Wabera Street
Box 30437
Nairobi

Auditors

Deloitte and Touche
"Kirungii", Ring Road
Westlands
P.O. Box 40092
Nairobi



Building Sondu Miriu - casing one of the adits at the ongoing construction of Sondu Miriu Hydro Power Plant.

MANAGEMENT

Managing Director

E. D. WASUNNA, BSc. (Eng.), R. Eng.

Deputy Managing Director

I. K. BONDET, BSc. (Eng.) (Hons.)

Corporate Planning Manager and Personal

Assistant to Managing Director

L. K. KARIUKI, BSc. (Hons.)

Chief Generation Manager

N. K. GICHUKI, BSc. (Hons.), R. Eng., M.I.E.K.

Chief Projects Development Manager

J. N. NG'ANG'A, BSc. (Hons.) R. Eng., M.I.E.K.

Company Secretary

A. H. ALI, LL.B (Hons.)

Finance Manager

W. F. TEMESI, BCom. (Hons.) CPA (K)

Human Resources & Administration Manager

B. M. SOY (MRS.), BEd (Hons.) MEd (Mgt)

Information Technology Manager

J. O. OMBONGI, BSc. Electronics, MSc. Computer Science.

Communications Manager

M. NJERU, B.A. (Hons.), Dip. Mass Com.

Procurement Manager

G. W. MUGA, BSc. (Eng.)



Mr. Wasunna, Managing Director, KenGen addresses senior members of staff during a leadership seminar in February 2001.

NOTICE OF THE MEETING

NOTICE IS HEREBY GIVEN that the FORTY-EIGHTH Annual General Meeting of Members will be held at the Registered Office of the Company, 8th Floor, Stima Plaza, Phase III, Kolobot Road, Nairobi, on Friday, 23rd March 2001, at 12:00 noon to transact the Ordinary Business of the Company.

By Order of the Board.

A H ALI

Company Secretary

Nairobi, Kenya

2nd March, 2001

A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him/her. A proxy need not be a member of the Company. To be valid, the form of proxy must be duly completed and must be lodged at the Registered Office of the Company or posted in time to reach there not later than 12:00 noon on Wednesday, 21st March 2001.



Wind Power ... KenGen's wind turbines at Ngong Hills.

CHAIRMAN'S REVIEW

I am pleased to submit KenGen's Annual Report, covering the financial year ended 30th June 2000.

Despite the depressed economy as detailed below in my general overview of the Kenyan Economy, the results for the year indicate a continued progress in increasing the value of the Government's investment in KenGen.

GENERAL OVERVIEW OF THE KENYAN ECONOMY

The year under review was characterised by a further slow down in economic activities and stagnation in investment. Agriculture registered a growth of 0.8% while Manufacturing, Financial, Trade and Tourism sectors managed only minimal growths.

The weak economic performance is attributable to the prolonged drought that adversely affected agriculture and power supply, poor infrastructure, inadequate water and loss of investor confidence among other factors.

Annual inflation rose from 4.9% in July 1999 to 8.3% in June 2000, due to the depreciation of the Shilling and the increase in the cost of fuel products. The shilling exchange rate averaged Shs.73 to the US dollar in the first half of the year and weakened in the second half to close at Shs.77 to the US dollar.

In spite of the depressed growth in the economy, the demand for power continued to grow. However, due to the prolonged drought the generation system could not cope with the increased demand for power.

FINANCIAL RESULTS

Revenue

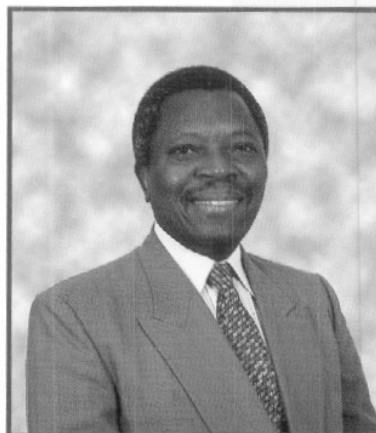
Revenue representing the total sales for the year increased from Shs.7,408 million to Shs.15,574 million. The increase is mainly due to fuel revenue as a result of enhanced thermal generation to make up for the drop in hydro generation.

Operating Costs

Operating costs rose from Shs.6,448 million to Shs.10,628 million due to fuel expenditure and increased depreciation as a result of capitalisation of Kipevu I thermal plant and Gitaru 3rd Unit and the generation assets taken over from KPLC and the Regional Authorities.

Finance Costs

Finance costs rose from Shs.776 million to Shs.1,183 million mainly due to increase in interest on long term borrowings.



Jonathan Mturi, Chairman

CHAIRMAN'S REVIEW

Also the increase is due to liabilities taken over from the Regional Authorities. Net exchange losses on borrowings declined from Shs.679 million in 1999 to Shs.528 million in 2000 due to a more stable foreign exchange regime.

Net Income

Net income before tax rose from Shs.184 million in 1999 to Shs.5,347 million. This increase is attributable to the sale of transmission assets to KPLC at a profit of Shs.1,584 million after the restructuring of the Energy Sub-sector and the implementation of the Interim Power Purchase Agreement which brought into effect the commercial relationship with KPLC. The increase in income is necessary as KenGen is expected to meet its financial obligations as well as the agreed upon financial covenants with the Development Partners. These financial obligations that KenGen is expected to meet include counterpart funding for the major projects and principal loans. The ongoing Hydro Power Project at Sondu Miriu and the Geothermal Power Project at Olkaria are expected to cost Shs.22.5 billion out of which KenGen will meet a total of Shs.5.3 billion. In addition, the Company spends Shs.2 billion annually to service its long term debts which stood at Shs.17 billion as at 30th June 2000.



KenGen Chairman, Jonathan Mturi, Director Ambeva, Managing Director Wasunna and Director Maina, are shown some drawing of Sondu Miriu HEP Project by a Nippon Koei engineer.

Taxation

The taxation charge for the year is Shs.1,317 million compared to a taxation credit of Shs.72 million in 1999. The increase is attributable to the increase in profit before taxation of Shs.5,163 million. However, due to the heavy capital expenditure on Gitaru 3rd unit, Kipevu I and generating assets taken over from the KPLC and the Regional Authorities, the capital allowances are sufficient to enable the company not pay tax for at least 3 years.

Cash Flow

Net cash in-flow from operations was Shs.2,789 million compared to Shs.5,298 million the previous year. The reduction of Shs.2,509 is due to low payments received from KPLC for electricity sold. As at the close of the year a total of Shs.9,268 million was owing from KPLC for electricity sold and Development Surcharge compared to Shs.5,537 million in 1999. Net cash inflow from financing activities, was Shs.347 million compared to Shs.1,516 million the previous year, a decrease of Shs.1,169 million. The decrease was a result of less disbursements from the multi-lateral and bilateral funding agencies for the on-going power projects at Olkaria II, and Sondu Miriu.

Net cash outflow on Investment was Shs.3,596 million compared to 6,617 million the previous year, a decrease of Shs.3,021 million. This is due to the completion of Kipevu I power project and less disbursements from funding agencies for the on-going projects at Olkaria II and Sondu Miriu.

CHAIRMAN'S REVIEW

Capital Investment

The capital expenditure for the year was Shs 4,534 million incurred on Kipevu I Diesel Plant, Gitaru 3rd Unit, Sondu Miriu Hydro power, Olkaria II, Ewaso Ngiro Hydro power and others including Geothermal Resource Assessment. This together with the net asset transfers during the year of Sh. 21,313 million brings the total cumulative capital investment of the company to Shs.42, 666 million.

Restructuring Of the Power Sector

During the year, the Company took over assets and liabilities from KPLC, KVDA, and TARDA. The total value of assets taken over was Shs.23,366 million against liabilities valued at Shs.10,879 million. The company also transferred assets worth Shs.3,345 million to KPLC. Following the restructuring exercise, an excess of Shs.10,079 million arose as a difference between the assets and liabilities. This amount will be allotted as additional Shares to the Government of Kenya during the financial year ending 30th June 2001.

Electricity Tariff

An Interim Power Purchase Agreement (IPPA) was entered between KenGen and KPLC and this was effected on 1st August 1999 following the approval by the Electricity Regulatory Board (ERB). Under the agreement KenGen sells a unit of electricity at Shs.2.36 to KPLC. In the meantime, arrangements are underway to develop a full term Power Purchase Agreement.

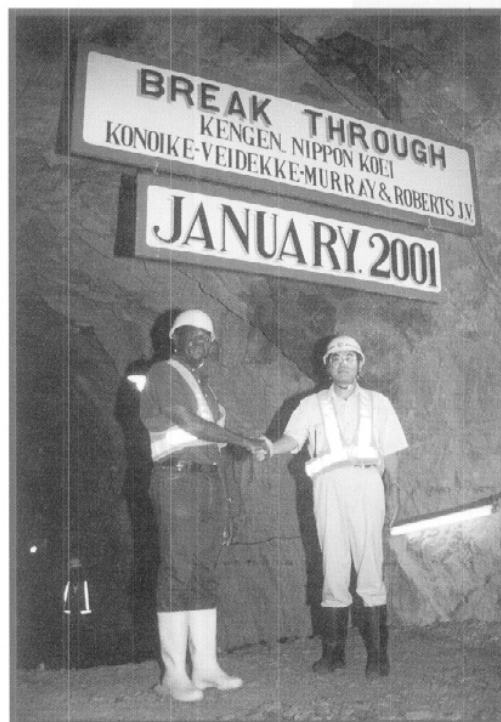
INSTITUTIONAL STRENGTHENING PROJECT (ISP)

KenGen completed the set-up of its computer centre. The process of setting up Wide Area Networking (WAN), which will allow power stations to access the computer centre on-line, commenced during the year. Implementation of the major systems like Integrated Financial Systems, Integrated Logistic Systems, and Integrated Human Resources Systems was finalised.

Year 2000 Readiness

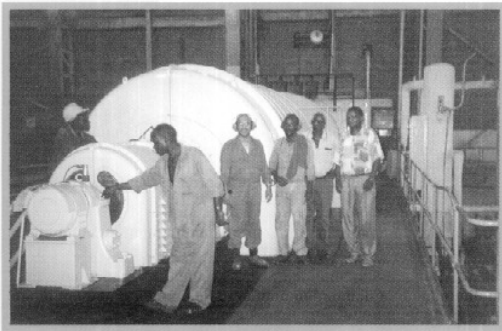
The implementation of the Millennium Bug Project continued during the year. A complete inventory of all equipment and systems that process date related data was compiled. Areas covered include embedded systems in the power plants, telecommunication equipment, application servers, desktop personal computers, application software, data and networks.

The compiled inventory was checked for year 2000 related problems and certified to be compliant.



Chief Projects Development Manager, Joe Ng'ang'a celebrating a tunnel breakthrough at Sondu Miriu Project with the project engineer, S. Sakoda.

CHAIRMAN'S REVIEW



S. Imu, Generation Manager (G&T) and other Kipevu staff pose for a picture next to the rehabilitated Kipevu Unit 6.

KenGen also checked on its main suppliers of equipment and services to ensure they were addressing the year 2000 bug problem. KenGen and KPLC also worked to ensure compliance of the power industry. KenGen embarked on developing emergency preparedness plans which were put in place on the roll-over date of 31st December 1999.

OPERATIONS

Operations

Hydro Stations

The drought this year was even worse than in the previous year. The hydropower production dropped from 3,275 million units in 1998/99 to 2,447 million units in 1999/2000.

Masinga

Unit 1 was overhauled and the rotating parts reinstated to their initial commissioning levels. A new excitation system was also installed on the same unit.

Kamburu

The tailrace tunnel was successfully repaired including the rehabilitation of the intake gate.

Gitaru

Gitaru unit 1 with a capacity of 80MW was commissioned during the year. The tailrace tunnel was also inspected and found to be in good condition.

Kindaruma

Overhaul was carried out on unit 1 and runner successfully rehabilitated.

Kiambere

The Doric temperature scanner and enunciators replaced.

Turkwel

No major work was carried out during the year and the station was used for peak loading most of the year.

Mini- Hydros

Overhauls and other repairs were undertaken in the various stations.

GEOTHERMAL

Olkaria

The station recorded the highest ever generation of 395.21 million units since commissioning in 1981 with a weighted availability factor of 99.65%. OW-5 was reconnected after deepening and steam pipes around the seal pit were raised.

CHAIRMAN'S REVIEW

THERMAL

Kipevu

Kipevu steam posted 218.18 million units compared to 140.43 million units in the previous year. The corresponding figures for the Gas Turbines were 390.65 million units for the year and 191.43 million units the previous year. The increase is attributed to improved plant availability.

Kipevu Diesel

All the six diesel generators were put on commercial operation during the second quarter of the year after successful reliability test runs. The sets have been performing well.

Developments

Connection of make-up wells for Olkaria I

The raising of steam pipes at the seal pit area was complete during the year. Connection of make-up wells OW-32 and OW-34 commenced during the year.

Kipevu I - 75MW Diesel Project

Piping connection and electrical installations were completed followed by commencement of commercial operations during the year.

Gitaru 3rd Unit

The erection, testing and commissioning of the unit were completed in November 1999.

Olkaria II - 64MW Power Project

All the project contracts were awarded during the year. Civil Works and the Power Station and Electrical and Mechanical Plant contracts were awarded to Mitsubishi Joint Venture. The Sub-station contract was awarded to Siemens AG while the Transmission Lines and Steam Gathering System contracts were awarded to KEC International Ltd. and NKK/Marubeni/Zakhem Joint Venture respectively.

The project co-funded by International Development Association, European Investment Bank, Kreditanstalt für Wiederaufbau and KenGen is expected to be on line by 2002.

Geothermal Resource Assessment

Flow testing of two of the three wells drilled in Olkaria Domes was completed while the flow testing for the third well was in progress by the close of the year. Budgetary constraints hindered further drilling activities during the year.



Company Staff pose for a photograph after a training session.

CHAIRMAN'S REVIEW

KenGen continued with the services of testing wells for the Independent Power Producer (IPP) developing Olkaria III as per the contract with it.

Sondu/Miriu Hydro Power Project

Resettlement and civil works Lot I-1 activities progressed well during the year. The Japanese Government is yet to approve the phase II loan and once done KenGen will commence the procurement process of phase II activities of the project.

Ewaso Ng'iro South Hydro Power Project (180MW)

Drilling contract to establish geological and geotechnical conditions for underground structures such as powerhouse, caverns and tunnels was completed during the year. Further environmental impact assessment continued.

Raising of Masinga Dam

Following the completion of asset separation exercise, arrangements are underway to procure funding for the project.

Mutonga/Low Grand Falls

Sourcing for funding for additional environmental impact assessment in the lower reaches of River Tana continued during the year.

HUMAN RESOURCES AND TRAINING

The Company recognises that stronger business results are tied to the quality of its Human assets and therefore strives to empower them to ensure their strong participation in attainment of corporate objectives.

At the close of the financial year the staff capacity stood at 1616. The growth resulted from transfer of staff from the Isolated Power Stations transferred from KPLC.

The year ended represented a difficult year for the Organisation as generation capacity was adversely affected by poor rainfall patterns resulting in low water levels at our hydro stations.

This placed unique demands on the staff. Management appreciated their understanding and commitment during the hard times.

Despite the resultant effects of low generation, staff relations remained cordial and morale high as management sought staff involvement in the austerity measures that were put in place to survive the difficult times.



KenGen team during the Heart to Heart charity run.

CHAIRMAN'S REVIEW

The company has continued to devote resources for training & development and at the close of the year approximately 686 employees were trained both locally and internationally in order to motivate and enhance the quality of services.

PUBLIC RELATIONS

The Company continued to participate in various community service activities to boost its image as a responsible corporate citizen. Charitable causes the Company donated to include the Heart to Heart Foundation Run and a direct staff contribution towards the Nation Turkana Famine Relief Fund.

The Company continued to donate tree seedlings in areas of its operation. In the year under review, 3000 tree seedlings were donated to Nakuru District from the social afforestation nurseries of Olkaria Geothermal Project.

The Company also designed and hosted an Internet web site, which it continued to periodically update besides producing a regular and quality newsletter for dissemination of Company news to staff and corporate associates.

Despite the heavy media coverage of the power sub-sector as a direct result of power rationing, the Company received fair coverage in both print and electronic media. To enable the public appreciate the effects of drought on the reservoir dams, the Company facilitated many visits to these stations by the stakeholders, the press and the general public to enlighten them on the energy management scheme which the Company had instituted.

FUTURE PROSPECTS

With the recent capacity additions of 155 MW to the national grid together with efficiency improvement measures the Company is pursuing, the Company expects continued improvement in the trading results.

ACKNOWLEDGEMENT

I wish to thank my fellow Board members, management of KenGen and staff for having demonstrated unprecedented commitment to their work. This commitment has enabled the Company to register improved performance in its operations.

May I also thank the Government of Kenya and its agencies, our financiers of projects and development partners for having shared in and contributed to KenGen's development. We look forward to their continued assistance.

J D MTURI
Chairman

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 30 June 2000.

ACTIVITIES

The principal activity of the company continued to be the generation and sale of electricity to the Authorised Distributor, The Kenya Power and Lighting Company Limited. The company also purchases energy from the Uganda Electricity Board to supplement its production.

RESULTS

	Sh'000
Profit before taxation and exceptional item	3,763,190
Exceptional item	1,583,978
Profit before taxation	5,347,168
Taxation	(1,317,209)
Profit for the year	4,029,959

DIVIDENDS

The directors do not recommend the payment of a dividend.

DIRECTORS

The present members of the board of directors are as shown on page 2.

AUDITORS

The auditors, Deloitte & Touche, having indicated their willingness, continue in office in accordance with Section 159 (2) of the Companies Act.

BY ORDER OF THE BOARD

A HALI

Secretary

Nairobi

7th December 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- * Select suitable accounting policies and then apply them consistently;
- * Make judgements and estimates that are reasonable and prudent;
- * State whether applicable accounting standards have been followed;
- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Mr. Wasunna, Managing Director, KenGen and Mr. A. Kijima, General Manager, Mitsubishi Heavy Industries, exchange documents during the signing of Olkaria II Geothermal Power Project.

REPORT OF THE AUDITORS

TO THE MEMBERS OF KENYA ELECTRICITY GENERATING COMPANY LIMITED

We have audited the financial statements on pages 16 to 32 and have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Respective responsibilities of directors and auditors

As described on page 14, the directors are responsible for the preparation of the financial statements. Our responsibility is to express an opinion on those financial statements based on our audit.

Basis of opinion

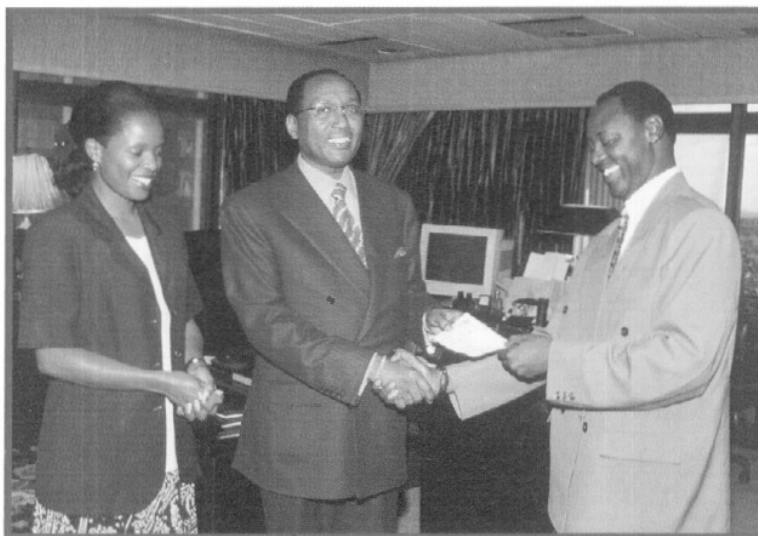
We conducted our audit in accordance with International Standards on Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the directors, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, proper books of account have been kept by the company and the financial statements, which are in agreement therewith, give a true and fair view of the state of affairs of the company at 30 June 2000 and of its profit and cash flows for the year then ended in accordance with International Accounting Standards and comply with the Companies Act.

DELOITTE & TOUCHE

11th December 2000



P. Mutie, Communications Officer, KenGen hands over the company contributions for the August 8th bomb blast memorial fund to Chris Kirubi. Grace Omollo of Communications Division looks on.

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2000

		2000	1999
			(Restated)
	Note	Sh'000	Sh'000
REVENUE		15,574,463	7,407,949
OPERATING EXPENSES		(10,628,429)	(6,448,222)
OPERATING PROFIT	2	4,946,034	959,727
FINANCE COSTS-NET	3	(1,182,844)	(775,542)
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEM		3,763,190	184,185
EXCEPTIONAL ITEM	5	1,583,978	-
PROFIT BEFORE TAXATION		5,347,168	184,185
TAXATION (CHARGE)/CREDIT	6	(1,317,209)	72,845
PROFIT FOR THE YEAR		4,029,959	257,030



BALANCE SHEET
AS AT 30 JUNE 2000

	Note	2000 Sh'000	1999 (Restated) Sh'000
ASSETS			
Non current assets			
Property, plant and equipment	7	38,964,332	14,186,838
Due from			
The Kenya Power & Lighting Company Limited	8	2,216,413	2,766,299
Deferred tax asset	9	-	152,053
		41,180,745	17,105,190
Current assets			
Inventories	10	981,234	862,393
Trade and other receivables	11	98,345	240,316
Due from			
The Kenya Power & Lighting Company Limited	8	7,052,196	2,771,363
Bank and cash balances		23,426	100,198
		8,155,201	3,974,270
Total assets		49,335,946	21,079,460
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	456,085	456,085
Funds awaiting allotment of shares	13	10,079,637	-
Reserves		13,109,257	9,079,298
		23,644,979	9,535,383
Non current liabilities			
Borrowings	14	17,263,935	5,804,083
Deferred tax liability	9	1,165,475	-
		18,429,410	5,804,083
Current liabilities			
Due to Government of Kenya		-	2,271,363
Trade and other payables	15	4,243,743	2,308,373
Borrowings	14	2,575,673	1,104,258
Taxation payable		-	56,000
Bank overdrafts	16	442,141	-
		7,261,557	5,739,994
Total equity and liabilities		49,335,946	21,079,460

The financial statements on pages 16 to 32 were approved by the board of directors on 7th December 2000 and were signed on its behalf by:

J.D. MTURI }
E.D. WASUNNA } Directors

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2000

	Share capital Sh'000	Reserve & equalisation Sh'000	Loan capital redemption Sh'000	Capital reserve Sh'000	Revenue reserve Sh'000	Total Sh'000
At 1 July 1998						
As previously reported	456,085	(111,848)	331,186	8,579,722	-	9,255,145
Prior year adjustment	-	-	-	-	23,208	23,208
As restated	456,085	(111,848)	331,186	8,579,722	23,208	9,278,353
Transfers	-	111,848	(331,186)	-	219,338	-
Profit for the year	-	-	-	-	257,030	257,030
At 30 June 1999						
- as restated	456,085	-	-	8,579,722	499,576	9,535,383
At 1 July 1999						
As restated	456,085	-	-	8,579,722	499,576	9,535,383
Profit for the year	-	-	-	-	4,029,959	4,029,959
At 30 June 2000	456,085	-	-	8,579,722	4,529,535	13,565,342

The prior year adjustment is in respect of the provision for deferred taxation arising from the adoption of the International Accounting Standard No. 12 (Revised) as explained in Note 1 to the financial statements.

As at 30 June 2000, an amount of Sh 10,079,637,000 is carried in the balance sheet as funds awaiting allotment of shares to the Government of Kenya (see note 13 to the financial statements).

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2000

	Note	2000 Sh'000	1999 (Restated) Sh'000
OPERATING ACTIVITIES			
Cash generated from operations	17(a)	2,789,259	5,298,102
Interest paid		(171,492)	(101,599)
Interest received		167,173	-
Taxation paid		(55,681)	-
Net cash generated from operating activities		2,729,259	5,196,503
INVESTING ACTIVITIES			
Additions to property, plant and equipment		(4,534,332)	(6,616,612)
Proceeds from transfer of assets to KPLC	17(b)	938,352	-
Net cash used in investing activities		(3,595,980)	(6,616,612)
FINANCING ACTIVITIES			
Payment of long-term borrowings	17(c)	(1,351,833)	(1,407,175)
Proceeds from long-term borrowings	17(c)	1,699,641	2,923,302
Net cash generated from financing activities		347,808	1,516,127
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(518,913)	96,018
CASH AND CASH EQUIVALENTS AT 1 JULY		100,198	4,180
CASH AND CASH EQUIVALENTS AT 30 JUNE	17(d)	(418,715)	100,198

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2000

I. ACCOUNTING POLICIES

The financial statements are prepared in accordance with and comply with International Accounting Standards (IAS), which have been adopted with effect from this accounting period.

With the exception of the effects of adoption of IAS 12 on income taxes (Revised) and IAS 19 (employee benefits), there are no other accounting policy changes, arising from the adoption of IAS, which have a significant impact on these financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

BASIS OF PREPARATION

The financial statements are prepared under the historical cost basis of accounting.

REVENUE

Revenue represents the total income from the sale of electricity supplied to the Authorised Distributor, Kenya Power & Lighting Company Limited.

INTEREST PAYABLE

Loan interest accruing during the period of construction of a project is capitalised as part of the cost of the project.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less depreciation.

DEPRECIATION

Freehold land is not depreciated.

Depreciation on other assets is calculated on the straight line basis to write off the cost of property, plant and equipment over their expected useful lives. The rates used are:

Leasehold land	over the unexpired period of the lease
Buildings	2.85%
Geothermal wells	6.66%
Transmission lines	2.5 - 20%
Plant and machinery	1 - 6.66%
Motor vehicles	25%
Furniture, equipment and fittings	6.66 - 20%

INVENTORIES

Inventories are valued at average purchase cost less provision for obsolescence.

CAPITALISATION OF GEOTHERMAL ASSETS

All productive wells are capitalised when connected and depreciated over their expected useful lives. This is currently estimated to be fifteen years from the date of commencement of commercial operation.

FORM OF PROXY FOR ANNUAL GENERAL MEETING

I _____) BLOCK

_____) CAPITALS

of _____) PLEASE

being a member of the above-named Company, HEREBY APPOINT

_____ of P.O. Box _____

or failing him/her the Chairman of the Meeting as my proxy to vote for and on my behalf at the ANNUAL GENERAL MEETING of the company to be held on Wednesday 23rd February 2001 and any adjournment thereof.

My proxy is to vote in favour of/against the Resolution as indicated here below:

Item	Business	For	Against
I,	To transact the Ordinary Business of the Company		

Signature

Dated this day of 2001



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

I. ACCOUNTING POLICIES (Continued)

CAPITALISATION OF GEOTHERMAL ASSETS (continued)

The cost of unproductive wells is transferred to the income statement in the year in which they are certified complete but unproductive. Where a well ceases to be productive before the end of its expected useful life, the net book value of the well is charged to the income statement in the year the well ceases to be productive.

PROVISIONS FOR LIABILITIES AND CHARGES

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave accrued at the balance sheet date. This represents a change in accounting policy to comply with International Accounting Standard No. 19. The change in policy has been applied retrospectively and comparative figures amended accordingly.

FOREIGN CURRENCIES

Assets and liabilities expressed in foreign currencies are translated into Kenya shillings at the rates of exchange ruling at the balance sheet date. Transactions during the year are translated at the rates of exchange ruling at the dates of the transactions. During the period of construction of a project, gains and losses on foreign currency loan realignments are capitalised as part of the cost of the project. Other exchange gains and losses are dealt with in the income statement.

TAXATION

Current taxation is provided for on the basis of the results for the year as shown in the financial statements, adjusted in accordance with the tax legislation.

Deferred taxation is provided for, using the liability method, for all temporary differences arising between the tax bases of assets and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

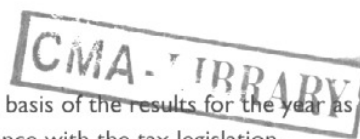
This represents a change in accounting policy to comply with International Accounting Standard No 12 (Revised). Previously, deferred income tax was provided for when, in the opinion of the directors, a liability or asset was expected to crystallise in the foreseeable future. The change in policy has been applied retrospectively and comparative figures amended accordingly.

RETIREMENT BENEFITS OBLIGATIONS

The company's obligations to staff retirement benefit plans are charged to the income statement as they fall due.

COMPARATIVES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. In particular, the comparatives have been adjusted or extended to take into account the requirements of International Accounting Standards.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

	2000 Sh'000	1999 Sh'000
2. OPERATING PROFIT		
The operating profit is arrived at after charging:		
Electricity purchased from Uganda Electricity Board	815,575	592,683
Depreciation	1,361,389	219,094
Staff costs (Note 4)	1,185,336	940,492
Directors' emoluments:		
- Fees	1,497	1,020
- Other	3,720	3,595
Auditors' remuneration	1,727	1,677
3. FINANCE COSTS		
Interest receivable:		
On reserve and equalisation fund investments	-	81,589
On late payments by KPLC	167,173	-
	167,173	81,589
Interest payable:		
On long-term borrowings	(792,566)	(178,440)
On bank overdrafts	(27,181)	-
On staff loans	(2,708)	-
	(822,455)	(178,440)
Net interest payable	(655,282)	(96,851)
Net exchange losses on borrowings	(527,562)	(678,691)
	(1,182,844)	(775,542)
4. STAFF COSTS		
Salaries and wages	1,009,503	749,288
Pension costs - defined contribution scheme	140,535	104,331
National Social Security Fund	1,290	1,148
Leave pay provision	34,008	85,725
	1,185,336	940,492

The average number of employees during the year was 1,552 (1999 - 1,463).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

5. EXCEPTIONAL ITEM

The exceptional item represents profit arising from the transfer of assets to The Kenya Power & Lighting Company Limited (KPLC) during the year under an agreement within the energy sector reform programme that is currently being undertaken by the Government of Kenya.

6 (a) TAXATION CHARGE/(CREDIT)

	2000 Sh'000	1999 Sh'000
Current taxation based on the taxable profit for the year at 30% (1999 - 32.5 %)	-	56,000
Prior year overprovision	(319)	-
Deferred taxation charge/(credit)	1,317,528	(128,845)
	<u>1,317,209</u>	<u>(72,845)</u>

(b) RECONCILIATION OF TAX CHARGE/(CREDIT) TO THE EXPECTED TAX BASED ON ACCOUNTING PROFIT/(LOSS)

	2000 Sh'000	1999 Sh'000
Accounting profit/(loss) before taxation	<u>5,347,168</u>	<u>(289,482)</u>
Tax at the applicable rate of 30% (1999 - 32.5%)	1,604,150	(94,082)
Tax effect of expenses not deductible for tax	29,684	10,500
Effect of reduction in tax rate	-	10,737
Prior year overprovision	(319)	-
Tax effect of income not taxable	(316,306)	-
	<u>1,317,209</u>	<u>(72,845)</u>

The accounting loss before taxation for 1999 relates to the six month period from 1 January 1999 to 30 June 1999 as the company was exempt from taxation up to 31 December 1998.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

7. PROPERTY, PLANT AND EQUIPMENT

	Land & buildings Sh'000	Transmission lines Sh'000	Plant and machinery Sh'000	Motor vehicles Sh'000	Furniture, equipment and fittings Sh'000	Work-in- progress Sh'000	Total Sh'000
COST							
At 1 July 1999	1,572,835	332,229	2,640,084	9,664	1,076,564	11,187,574	16,818,950
Transfers from							
TARDA	1,922,325	425,000	10,692,711	-	-	-	13,040,036
Transfers from							
KVDA	1,760,315	1,173,869	4,947,705	-	9,000	-	7,890,889
Transfers from							
KPLC	75,700	7,900	2,243,024	87,066	21,915	-	2,435,605
Other additions	64,214	395,341	7,030,988	40,130	167,762	(3,164,103)	4,534,332
Transfers to KPLC	(25,660)	(1,931,120)	-	-	(96,728)	-	(2,053,508)
At 30 June 2000	5,369,729	403,219	27,554,512	136,860	1,178,513	8,023,471	42,666,304
DEPRECIATION							
At 1 July 1999	724,655	241,362	1,230,303	32	435,760	-	2,632,112
Charge for the year	231,480	10,258	1,007,987	25,267	86,397	-	1,361,389
Eliminated on transfer to KPLC	(5,865)	(244,432)	-	-	(41,232)	-	(291,529)
At 30 June 2000	950,270	7,188	2,238,290	25,299	480,925	-	3,701,972
NET BOOK VALUE							
At 30 June 2000	4,419,459	396,031	25,316,222	111,561	697,588	8,023,471	38,964,332
At 30 June 1999	848,180	90,867	1,409,781	9,632	640,804	11,187,574	14,186,838

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

8. THE KENYA POWER & LIGHTING COMPANY LIMITED

	2000 Sh'000	1999 Sh'000
Amount due on the current account	9,268,609	5,537,662
Balance due within 12 months	(7,052,196)	(2,771,363)
Balance due after 1 year	2,216,413	2,766,299

9. DEFERRED TAXATION

Deferred taxation is calculated on all temporary differences under the liability method using the effective rate of 30%.

Movement on the deferred tax account is as follows:

	2000 Sh'000	1999 Sh'000
At 1 July 1999		
As previously reported	(152,053)	-
Prior year adjustment	-	(23,208)
At 1 July 1999 as restated	(152,053)	(23,208)
Current year charge/(credit)	1,317,528	(128,845)
At 30 June 2000	1,165,475	(152,053)

The deferred tax liability/(asset) at 30 June is attributable to the following items:

Accelerated capital allowances	5,392,537	(5,145)
Unrealised exchange differences	(158,269)	(121,191)
Leave pay provision	(35,920)	(25,717)
Tax losses	(4,032,873)	-
	1,165,475	(152,053)

10. INVENTORIES

Fuel	202,592	73,416
General stores	270,632	230,776
Machinery spares	690,333	693,767
Goods in transit	25,527	24,339
	1,189,084	1,022,298
Less: Provision for obsolescence	(207,850)	(159,905)
	981,234	862,393

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

	2000 Sh'000	1999 Sh'000
11. TRADE AND OTHER RECEIVABLES		
Advance contract deposits	-	134,536
Staff receivables	60,346	67,663
Other receivables	37,999	38,117
	<u>98,345</u>	<u>240,316</u>
12. SHARE CAPITAL		
Authorised:		
25,000,000 ordinary shares of Shs 20 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
22,804,241 ordinary shares of Shs 20 each	<u>456,085</u>	<u>456,085</u>

The following changes in authorised and issued Share Capital were approved by the shareholders at an Extra-ordinary General Meeting held on 9 November 2000:

- (i) an increase in the authorised Share Capital of the company from Shs 500,000,000 to Shs 5,539,818,820 by creation of additional 251,990,941 ordinary shares of Shs 20 each, such shares ranking pari passu, in all respects, with existing ordinary shares in the capital of the company.
- (ii) allotment of the additional 251,990,941 ordinary shares created to the Government of Kenya (GOK) at a price of Shs 40 per share as compensation to GOK for the difference between the value of the assets acquired by the company under the Kenya Power Sector restructuring programme and the liabilities taken over by the company in this exercise (See note 13 below).

The directors expect the process of issuing the new shares to be completed during the financial year ending 30 June 2001.

13. FUNDS AWAITING ALLOTMENT OF SHARES

During the year, the company acquired assets with a total value of Shs 20,930,925,000 from Kerio Valley Development Authority (KVDA) and Tana and Athi River Development Authority (TARDA). The company also took over loans totalling Shs 10,851,288,000 as partial consideration for these assets. These loans are part of the borrowings reflected in the balance sheet as at 30 June.

The balance of Shs 10,079,637,000 will be settled through the issue of additional equity shares to the Government of Kenya (See Note 12 above).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

	2000	1999
14 (a) BORROWINGS		
7.95% International Bank for Reconstruction and Development 1985/1999	-	123,602
10.93% International Bank for Reconstruction and Development 1987/1999	-	62,380
3.0% The Kenya Power & Lighting Co. Ltd. 1990 / 1999	-	99,040
1% & 10% International Development Association Subsidiary Credit 1994/2004 (US\$ 11,138,045)	868,196	812,008
7.59% International Development Association 1996/2008 (US\$ 20,012,133)	1,559,920	1,458,965
2.6% Overseas Economic Co-operation Fund No. KE P20 2005/2025 (JPY 6,666,973,778)	4,957,562	3,007,225
2.3%-Overseas Economic Co-operation Fund No KE P21 2007/2027 (JPY 1,700,715,589)	1,264,652	692,006
8.0% International Bank for Reconstruction and Development 1979/2000	-	525,827
7.7% International Development Association 2003/2027 (US\$ 3,977,176)	310,016	122,790
8.5% Government of Kenya Gitaru 1979/2000	4,498	4,498
8% Yugoslav loan 1989/2003 (US\$ 3,238,528)	252,439	-
3% Masinga loan 1989/2012	513,095	-
10.08% 2359 ke International Bank for Reconstruction and Development 1988/2009 (US\$ 26,674,548)	2,079,246	-
12% Kiambere ODA 1989/2009	132,002	-
10% Kiambere SAUDI 1989/2009 (US\$ 3,960,907)	308,748	-
5% Kiambere SIDA 1989/2009	36,072	-
5% Kiambere ADB 1989/2009 (US\$ 8,957,565)	698,231	-
5% Kiambere KFW 1989/2009	220,107	-
5% Kiambere SEB 1989/2009 (SEK 146,585,000)	1,295,474	-
5% Kiambere CIDA 1989/2009	260,274	-
7.5% Turkwel 1999/2015 (US\$ 64,800,000)	5,051,076	-
6.125% Kenya Government/Belgium WindPower loan 1996-2006	28,000	-
	19,839,608	6,908,341
Less: instalments due within 12 months	(2,575,673)	(1,104,258)
	17,263,935	5,804,083

All the loans are guaranteed by the Government of Kenya.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

	2000 Sh'000	1999 Sh'000
14 (b) MATURITY OF NON-CURRENT BORROWINGS		
Due within 1 year	3,090,807	1,325,109
Due within 2 to 5 years	10,002,558	3,817,471
Due after 5 years	4,170,570	661,503
	<hr/> 17,263,935	<hr/> 5,804,083
15 TRADE AND OTHER PAYABLES		
Trade payables	1,545,099	222,293
Contract payables and retention money	1,318,909	1,601,812
Accrued interest	663,144	12,181
Sundry and other payables	430,843	342,997
VAT payable	166,015	43,365
Leave pay provision	119,733	85,725
	<hr/> 4,243,743	<hr/> 2,308,373
16 BANK OVERDRAFTS		
The overdrafts are from local banks and attract interest at market rates. All the facilities are secured by corporate guarantees.		
17 NOTES TO THE CASH FLOW STATEMENT		
	2000 Sh'000	1999 Sh'000
(a) Reconciliation of operating profit to cash generated from operations		
Operating profit	4,946,034	959,727
Adjustments:		
Depreciation	1,361,389	219,094
Interest receivable	-	81,589
Exchange loss capitalised	1,010,568	568,887
Exchange gain	166,041	-
	<hr/> 7,484,032	<hr/> 1,829,297
Operating profit before working capital changes	7,484,032	1,829,297
Increase in inventories	(118,841)	(344,362)
(Increase)/decrease in amounts due from		
The Kenya Power & Lighting Company Limited	(3,730,947)	2,558,710
Decrease in trade and other receivables	141,971	222,603
Increase in trade and other payables	1,284,407	2,015,996
Decrease in balance due to Government of Kenya	(2,271,363)	(984,142)
	<hr/> 2,789,259	<hr/> 5,298,102
Cash generated from operations	2,789,259	5,298,102

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

17. NOTES TO THE CASH FLOW STATEMENT (Continued)

(b) Assets and liabilities acquisition

During the year, the company entered into an arrangement to transfer assets and related liabilities between itself, the Kenya Power & Lighting Company Limited and other entities as part of the energy sector reform programme by the Government of Kenya. The values of the assets acquired and liabilities assumed are as follows:

	2000 Sh'000
Assets acquired:	
From the Kenya Power and Lighting Company Limited	2,435,605
From the Tana and Athi River Development Authority	13,040,036
From the Kerio Valley Development Authority	7,890,889
	<hr/> 23,366,530
Assets transferred to the Kenya Power and Lighting Company Limited	(3,345,957)
	<hr/> 20,020,573
Liabilities assumed:	
From the Kenya Power and Lighting Company Limited	(28,000)
From the Tana and Athi River Development Authority	(6,049,288)
From the Kerio Valley Development Authority	(4,802,000)
Funds awaiting allotment of shares to the Government of Kenya	(10,079,637)
	<hr/> (938,352)
	<hr/>

(c) Analysis of changes in borrowings during the year

	2000 Sh'000	1999 Sh'000
Balance at 1 July	6,908,341	4,144,636
Foreign exchange losses on borrowings	693,603	678,691
New loans received	1,699,641	2,923,302
Repayments of amounts borrowed	(1,351,833)	(1,407,175)
Foreign exchange losses capitalised	1,010,568	568,887
Loans assumed as part of the energy sector reform programme (Note 17(b))	10,879,288	-
	<hr/> 19,839,608	<hr/> 6,908,341
Balance at 30 June		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

17. NOTES TO THE CASH FLOW STATEMENT (Continued)

(d) Analysis of balances of cash and cash equivalents as shown in the balance sheet

	2000 Sh'000	1999 Sh'000
Bank and cash balances	23,426	100,198
Bank overdrafts	(442,141)	-
Balance at 30 June	(418,715)	100,198

18. RETIREMENT BENEFITS

The company operates a joint defined benefit pension scheme with Kenya Power and Lighting Company (KPLC) for all employees. The scheme is administered independently by Aon Minet Insurance Brokers Limited and is funded by contributions from both the company and employees. The scheme funds are jointly managed by Barclaytrust Investment Services Limited and Co-op Merchant Bank Limited.

The scheme is valued by independent actuaries every three years under the rules of the scheme, the income tax (Retirement Benefits) rules 1994 and the Retirement Benefits Act 1997. Hymans Robertson, Consulting Actuaries, carried out the last actuarial valuation as at 1 August 1999. The actuarial valuation method adopted entailed the comparison of the value of the scheme's assets at the valuation date with its liabilities and an assessment of the ability of the scheme to meet its obligations to members. The principal actuarial assumptions used were:

- Investment return 10% per annum
- Rate of salary escalation 8% per annum
- Rate of pension increases 3%

The actuarial valuation revealed that there was a past service actuarial deficit of Sh 1,340,107,200. This actuarial deficit was largely attributable to 1997 and prior years, before the separation of the operations of Kengen and KPLC. Consequently KPLC is expected to take up the bulk of this deficit in its financial statements. However, the consulting Actuaries have been asked to provide professional advice on the split of the Scheme's assets and liabilities between KPLC and Kengen. The proportion of the actuarial deficit, if any, relating to Kengen will be booked in the company's financial statements upon receipt of a final report on the split of the scheme's assets and liabilities from the scheme's consulting actuaries. In the opinion of the directors, the company's portion of the deficit is unlikely to be material.

The company also contributes to the statutory National Social Security Fund (NSSF). This is a defined contribution scheme registered under the National Social Security Act. The company's obligations under the scheme are limited to specific contributions legislated from time to time and are currently limited to a maximum of Sh 80 per employee per month.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2000 (CONTINUED)

	2000 Sh'000	1999 Sh'000
19. CAPITAL COMMITMENTS		
Authorised but not contracted for	33,162,890	32,468,962
Contracted but not provided for	381,206	643,013
	<hr/> 33,544,096	<hr/> 33,111,975
20. CONTINGENT LIABILITIES		
Bank guarantees	28,234	-
	<hr/>	<hr/>
21. COUNTRY OF INCORPORATION		
The company is incorporated in Kenya under the Companies Act.		
22 CURRENCY		
These financial statements are presented in Kenya Shillings Thousands (Sh'000).		

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2000

APPENDIX I

	2000	1999
	Sh'000	(Restated) Sh'000
REVENUE		
Electricity sales	15,525,349	7,436,809
Miscellaneous income/(expense)	49,114	(28,860)
	<u>15,574,463</u>	<u>7,407,949</u>
OPERATING EXPENSES		
Purchase of energy	915,575	2,539,054
Fuel cost	5,423,877	1,399,198
Consumables	411,381	406,291
Staff costs	1,185,336	940,492
Welfare and benefits	184,763	107,222
Travelling	61,458	67,272
Training	32,580	25,557
Depreciation	1,361,389	219,094
Directors fees	1,497	1,020
Transport	48,542	46,382
Licences and local taxes	2,973	19,527
Consultancy and other charges	166,594	101,584
External services	491,183	289,535
Office expenses	50,002	39,337
Legal expenses	11,977	28,746
Insurance	244,855	136,689
Advertising and public relations	29,241	25,679
Inventories write off	1,164	54,910
Bank charges	4,042	633
	<u>10,628,429</u>	<u>6,448,222</u>
	4,946,034	959,727
Exceptional item	1,583,978	-
OPERATING PROFIT	<u>6,530,012</u>	<u>959,727</u>
Interest receivable	167,173	81,589
Interest payable	(822,455)	(178,440)
Exchange losses	(527,562)	(678,691)
	<u>5,347,168</u>	<u>184,185</u>

5 YEAR FINANCIAL AND STATISTICAL RECORD

FOR THE YEARS ENDED	30 June 1996 Sh	30 June 1997 Sh	30 June 1998 Sh	30 June 1999 Sh	30 June 2000 Sh
Units sold (millions)	4,062	4,236	4,129	4,139	3,982
Average cost of units sold (shs)	5.88	3.38	0.85	1.79	2.67
	Sh'000	Sh'000	Sh'000	Sh'000	Sh'000
Revenue from electricity sold	3,925,887	2,136,719	3,509,645	7,407,949	15,574,463
Net income/(loss) for the year	3,211,802	1,862,486	657,165	213,910	4,029,959
Funds generated from operations					
Net income/(loss) for the year	3,211,802	1,862,486	657,165	213,910	4,029,959
Depreciation	179,229	193,942	231,554	219,094	1,361,389
Currency realignment	66,737	199,123	75,464	678,691	527,562
Amortisation of currency realignment	-	-	-	-	-
	3,457,768	2,255,551	964,183	1,111,695	5,918,910
Capital employed					
Fixed assets					
less depreciation	6,421,530	6,457,969	7,789,320	14,186,838	38,964,332
Deferred debt	-	-	-	152,053	-
The Kenya Power & Lighting Co. Ltd	5,960,942	6,428,835	8,508,318	5,537,662	9,268,609
Net current liabilities	(1,653,256)	(934,907)	(4,202,486)	(4,451,362)	(6,158,552)
	10,729,216	11,951,897	12,095,152	15,273,138	42,074,389
Financed by					
Share capital	152,662	152,662	456,085	456,085	10,535,722
Reserves	6,555,914	8,418,400	8,799,060	9,012,970	13,109,257
Deferred credit	-	-	-	-	1,165,475
Loan capital	4,020,640	3,380,836	2,840,007	5,804,083	17,263,935
	10,729,216	11,951,898	12,095,152	15,273,138	42,074,389
Capital Expenditure	357,707	230,391	665,348	6,616,612	4,534,332
Income for the year as a percentage of average capital employed (%)	34.05	16.42	5.46	1.56	14.05

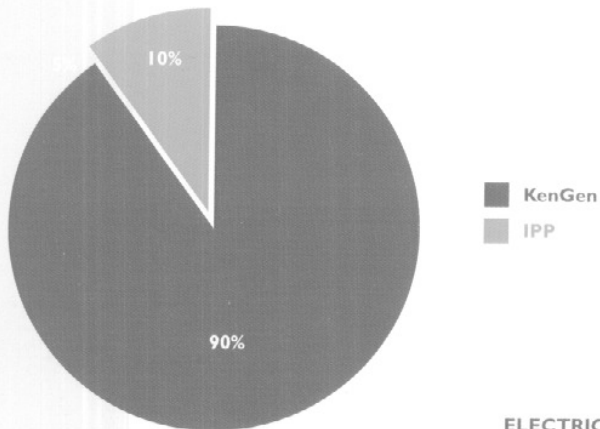
CHINA LIBRARY

ELECTRICITY UNITS SENT OUT FROM THE POWER STATIONS

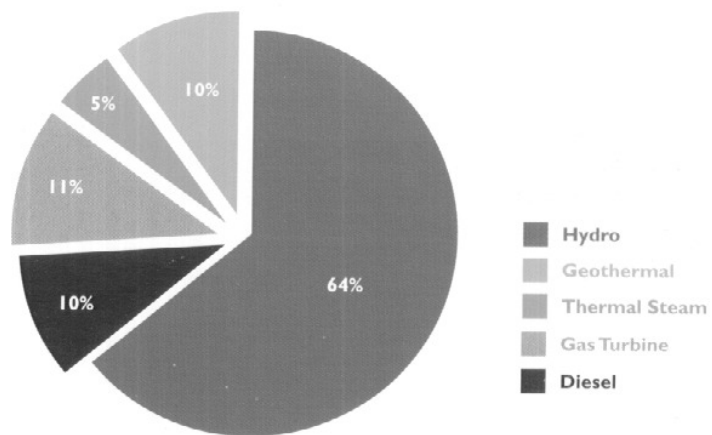
POWER STATION	Capacity (MW) as at 30.6.2000								
	Installed	Effective	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/2000
HYDRO									
Tana	14.4	8.2	64	78	97	84	75	82	63
Wanjii	7.4	7.4	30	27	51	48	50	36	46
Kamburu	94.2	26.0	420	484	489	445	479	409	247
Gitaru	225.0	72.0	854	703	700	925	816	788	734
Kindaruma	40.0	40.0	216	212	238	230	198	239	157
Small Hydros	6.2	3.2	16	22	29	23	25	20	19
Masinga	40.0	12.0	180	200	225	214	204	223	142
Kiambere	144.0	130.0	889	993	1028	1025	1020	1034	813
Turkwel	106.0	100.0	369	376	296	351	383	433	214
UEB (Imports)	30.0	0.0	264	187	149	144	146	140	151
TOTAL HYDRO SENT OUT INCLUDING IMPORTS	677.3	398.8	3302.2	3280.7	3301.6	3487.7	3395.9	3404.8	2586
THERMAL									
Kipevu Steam	45.5	36.0	127	201	208	187	189	141	199
Kipevu Diesel	73.5	70.0							392
GEOTHERMAL									
Olkaria	45.0	45.0	248	277	375	378	353	378	382
GAS TURBINE									
Flat - Nairobi South	13.5	10.0	2	15	58	6	0	15	29
JBE - Kipevu	60.0	60.0	0	30	107	165	178	188	384
ISOLATED DIESELS									
Lamu and Garissa	3.8	3.5	9	10	11	11	11	11	10
WIND TURBINE									
Ngong Wind	0.4	0.4	1	1	1	1	1	0	0.5
UNITS SENT OUT	918.9	623.6	3688.6	3815.1	4061.7	4235.5	4128.7	4139.1	3982.0

STATISTICS

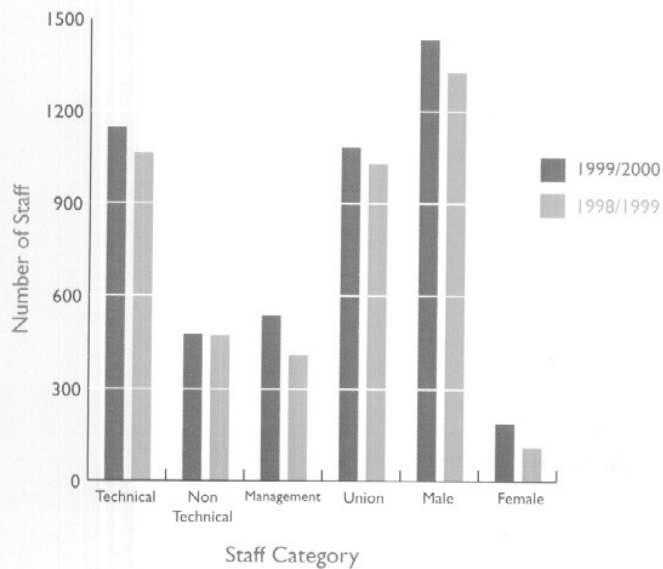
**MARKET SHARE IN
ELECTRICITY GENERATION
1999/2000**



**ELECTRICITY UNITS SENT OUT
FROM THE POWER STATIONS BY SOURCE
1999/2000**



KenGen STAFF ANALYSIS



KENGEN - EXISTING AND PROPOSED GENERATING STATIONS

