Summary
(US$ Thousands)

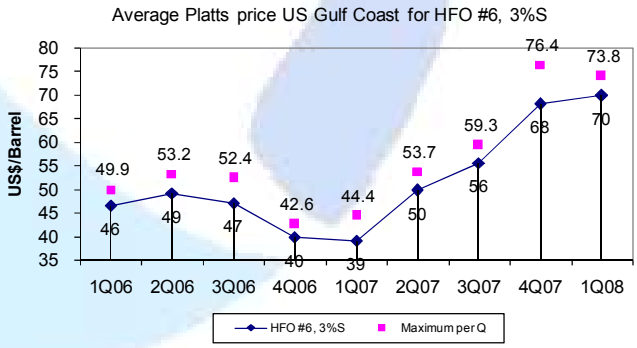
	1Q 2008	1Q 2007	Var %	2007
Revenues	100,484	64,847	55.0	344,519
Variable Margin	40,086	27,695	44.7	136,025
Operating Costs	74,981	52,989	41.5	269,126
Operating Income	25,503	11,858	-	75,392
Net Income	**11,023**	**3,670**	**-**	**37,138**
EBITDA	**25,503**	**11,858**	**-**	**75,392**
Net cash provided (used in) by operating activities	**16,732**	**14,077**	**19**	**(17,525)**
Availability, %	97.2	95.1	2.2	96.8
Sales, GWh	502	490	2.6	2,169
Generation, GWh	377	389	(3.1)	1,674
Spot Purchase, GWh	(126)	(105)	19.5	(502)

Quarterly Summary

- Variable margin greater for the first quarter of 2008 versus the same period of 2007 by 44.7%.
- Net income for the first quarter was US$ 11.0 million greater than the same period of 2007. Net income was impacted positively in 1Q 2008 due to the increase in variable margin to US$ 40.1 million.
- EBITDA for the first quarter of 2008 equaled US$ 25.5 million versus US$11.9 million for the first quarter of 2007 and US$27.1 million for the fourth quarter of 2007.
- For this quarter, accounts receivable increased by US$4.0 million from the fourth quarter of 2007.
- The three distribution companies have sustained their energy supply to end-users at approximately 80% of demand during the first quarter of 2008.

External Factors

Fuel prices have continued their upward trend during this quarter, reaching on a single day US$ 73.83/Bbl for Platt's US Gulf Coast HFO #6, 3% S (fuel used to index the tariffs under contract and for acquisition in the international markets).



Financial Results

Revenue
Revenue increased by 55.0% to US$100.5 million in the first quarter of 2008 compared to the same period of 2007 as a result of a 62.8% increase in revenue from the sale of energy and a 1.9% increase in revenue from the sale of capacity. Revenue from the sale of energy increased as a result of:

- a 63.6% increase in the average price per GWh, primarily as a result of the effect of the increase in the average price of fuel oil used to index the contract energy to US$68.58 per barrel in the first quarter of 2008 from US$38.69 per barrel in the same period of 2007 and the application of the price indexation formula in our PPAs; and

- a 2.6% increase in the amount of energy sold to 502 GWh in the first quarter of 2008 from 490 GWh in the same period of 2007, primarily as a result of an increase in demand by EDE-Norte (8%) and EDE-Este (5%). This increase was partially offset by a 3% decrease in demand by EDE-Sur.

Revenues
(US$ Thousands)

	1Q 2008	1Q 2001	Var %	2007
Contract Energy	92,008	56,533	62.8	310,513
Contract Capacity	8,476	8,314	1.9	34,006
Total Revenues	**100,484**	**64,847**	**55.0**	**344,519**

Operating expenses

Operating expenses increased by 41.5% to US$75.0 million in the first quarter of 2008 compared to the same period of 2007 as a result of:

- a 54.2% increase in the cost of fuel to US$36.1 million in the first quarter of 2008 from US$23.4 million in the same period of 2007. This increase is primarily related to a 73.8% increase in the average cost of fuel consumed by EGE Haina. This increase was partially offset by a 5.2% decrease in the volume of fuel consumed, reflecting the lower dispatch of our units and by the lower consumption of coal during the first quarter of 2008 as compared to the same period of 2007 since the Barahona unit was under major maintenance during January 2008; and
- a 109.2% increase in the cost for purchased power and energy to US$20.6 million in the first quarter of 2008 from US$9.9 million in the same period of 2007. This increase is related to a 54.5% increase in the average amount paid for energy purchases related to higher average spot prices and to a 20% increase in the amount of energy purchased by EGE Haina, principally as a result of a 3.13% decrease in the energy produced by the Company;

This increase was partially offset by:

- a 14.7% decrease in Operating and Maintenance cost to US$5.4 million in the first quarter of 2008 from US$6.3 million in the same period of 2007. This decrease is related to US$2.3 million of Sultana del Este variable cost, due to the conclusion of the 36,000-hour maintenance program, a much higher maintenance than the 48,000-hour due in 2008. This decrease was partially offset by higher fixed cost in Haina and Barahona complexes, due to Barahona major maintenance performed during this quarter; and by a US$0.5 million increase of Sultana fixed cost, due to the performance of 48,000-hour major maintenance to the engines; and
- a 0.5% decrease in General and Administrative expenses to US$5.49 million in the first quarter of 2008 from US$5.52 million in the same period of 2007. This decrease is related to lower office operation costs and to lower minimum taxes registered due to a higher estimation of income tax liability as of Dec. Minimum tax is registered as a G&A expense while income tax is a below the line operating cost.

As a percentage of revenues, Operating expenses decreased to 74.6% in the first quarter of 2008 from 81.7% in the same period of 2007.

Operating Expenses
(US$ Thousands)

	1Q 2008	1Q 2007	Var %	2007
Fuel Expense	36,137	23,431	54.2	128,108
Transmission Tolls	3,003	3,593	(16.4)	15,263
Purchased Power	20,612	9,855	-	63,416
Frequency Regulation	646	273	-	1,707
Labor Cost	3,716	4,022	(7.6)	14,665
Operating & Maintenance Expenses	5,371	6,293	(14.7)	21,587
General & Administrative Expenses	5,496	5,522	(0.5)	24,380
Total Operating Exp	**74,981**	**52,989**	**41.5**	**269,126**

Other expenses

Other expenses increased to US$12.3 million in the first quarter of 2008 from US$7.0 million in the same period of 2007, primarily as a result of:

- a 74.6 % increase in depreciation to US$6.6 million in the first quarter of 2008 from US$3.8 million in the same period of 2007. This increase is related to the accelerated depreciation of Puerto Plata I thermal unit during Q1 2008;
- US$1.0 million of higher amortization expenses in the first quarter of 2008 compared to the same period of 2007. This variance is related to the amortization of the new US$175 million Bond and to the accelerated depreciation of contract renegotiation expenses that were being amortized over the life of the contracts.
- US$1.5 million increase in interest and fee expense. The higher interest expense related to the US$175 million bond and to greater outstanding debt.
- US$0.1 million of higher other financial expense in the first quarter of 2008 compared to the same period of 2007 related to higher withholding tax expense related to higher management fee.

As a percentage of revenues, other expenses decreased to 12% in the first quarter of 2008 from 11% in the same period of 2007.

Other Expenses
(US$ Thousands)

	1Q 2008	1Q 2007	Var %	2007
Book Depreciation	6,620	3,791	74.6	16,026
Amortization including bond issuance costs	1,636	615	-	12,776
Interest and Fee	2,771	1,301	-	7,843
Other Expense (Income)	1,244	1,165	6.8	5,875
Exchange Loss (Gain)	(18)	200	-	(240)
Total Other expenses	**12,314**	**7,072**	**74.1**	**42,270**

Net Income

Net Income increased to US$ 11.0 million in the first quarter of 2008 from US$3.7 million in the same period of 2007. As a percentage of revenues, net income increased to 11 % in the first quarter of 2008 from 5.7% in the same period of 2007. The principal variances impacting net income can be summarized as follows: US$12.4 million of higher variable margin, US$1.2 million of lower labor, O&M and G&A expenses, US$1.3 of higher income tax and US$3.8 million of higher depreciation and amortization expenses.

Cash provided by operating activities

Operating activities provided cash for US$16.7 million during the first quarter of 2008 and US$14.1 million in the same period of 2007. The most significant factors in EGE Haina's generation of cash flows from operating activities were: a) net income of US$11.0 million; b) US$6.6 million of additional accumulated depreciation; c) US$0.9 million of lower deferred income tax liability, net; d) US$1.7 million of other assets, net; e) US$3.6 million of higher accounts payable; f) US$2.6 million of higher payables to related party and g) US$7.7 million of higher other liabilities. These positive factors were partially offset by the effects of: a) US$3.9 million increase in accounts receivable; b) US$ 11.0 million increase in inventories related to higher value of fuel inventory and of spare parts primarily as a result of the major maintenance program of Sultana engines for 2008; and c) US$0.9 million of higher prepaid expenses and d) US$1.7 million other noncurrent liabilities assets, net.

Cash used in investing activities

The company used cash for US$8.3 million during the first quarter of 2008 and US$0.2 million in the same period of 2007. Investing activities in the first quarter of 2008 consisted of net changes in short term investment of US7.1 million related to the certificate of deposits opened with the excess cash from the US$175 million Bond and US$1.1 million of capital investments.

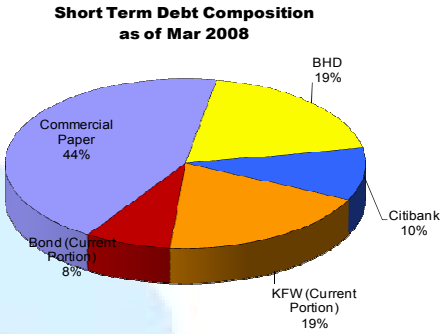
Financing activities

The Company used US$1.7 million in financing activities during the first quarter of 2008 and US$8.9 million during the same period of 2007. This use of cash consisted in net changes in long term receivables.

Financial Debt
(US$ millions)

	1Q 2008	1Q 2007	Var %	2007
Short Term Debt	13.0	9.9	31.5	12.4
Long Term Debt	175.0	90.4	93.6	175.0
Total Financial Debt	188.0	100.3	87.5	187.4

- EGE Haina used funds from the lines of credit it holds with Citibank, BHD and Banco de Reservas for working capital purposes.

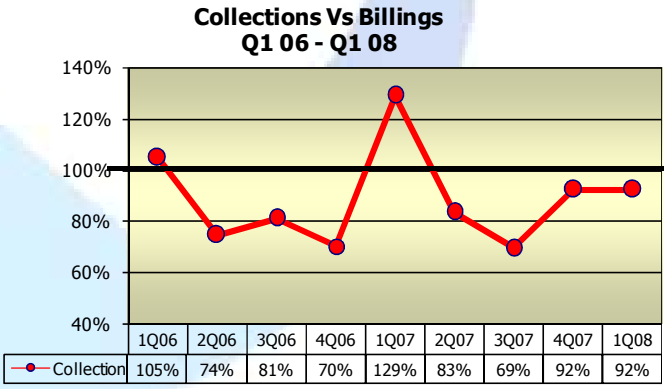


Collections

Collections versus the quarterly invoices equaled 92% as compared to the 129% level of last year's same quarter.

The general trend experienced is that the three distribution companies have fallen 60 days in payments of their monthly power invoices.

During the first quarter of 2008, the distribution companies, our customers, have sustained their energy supply at 80% of demand. Naturally, this is not met by a proportionate increase in collections from customers, thus creating the delay in payment to generators, including EGE Haina. The Dominican government, via CDEEE, during the course of the first quarter of 2008 was seeking to increase the subsidy funding from the national treasury in order to reestablish the balance of payments between generators and distributors. The international agencies such as World Bank, IDB and IMF are as well actively working along with the Dominican Government to fund energy theft reduction programs, clearly demonstrating that the principal solution to the Dominican electrical problem lies in the resolution of the energy theft it suffers from.

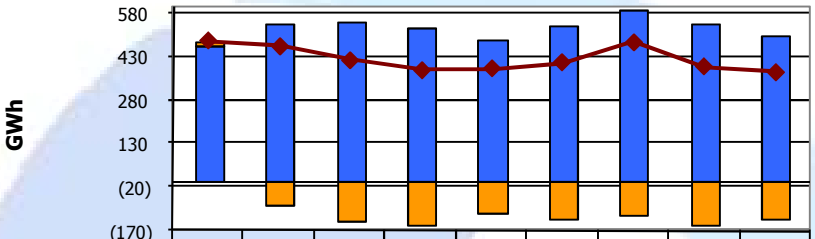


Unofficially, the deficit, and therefore, the subsidy estimated for 2008 equals US$1,000 million. The government budgeted US$650 million for this purpose.

Operational Statistics

	1Q 2008	1Q 2007	Var %	2007
Heat Rate, Btu/kWh	9,092	9,618	(5.5)	9,526
Availability, %	97.2	95.1	2.1	96.8
Forced Outage Rate, %	0.8	3.1	(2.3)	1.3
Installed Capacity, MW	599	663	(9.7)	599
Effective Capacity, MW	547	599	(8.7)	547
Firm Capacity, MW	359	348	3.1	339

Quarters from January 2007 to March 2008



	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08
Spot	16	(78)	(133)	(152)	(105)	(132)	(116)	(149)	(126)
Contracts	471	547	551	531	490	539	596	544	503
Generation	486	469	420	386	389	409	480	395	377

Empresa Generadora de Electricidad Haina, S.A.
Unaudited Consolidated Income Statement
For the three months ended March 31st, 2008 and 2007
(Expressed in thousands of US$)

	Quarter Ended March 2008	Quarter Ended March 2007	2007 Jan - Dec
	(Thousands of U.S. dollars)		
Statement of Operations Data:			
Revenues:			
Energy	92,008	56,533	310,513
Capacity	8,476	8,314	34,006
	100,484	64,847	344,519
Operating Costs:			
Fuel Costs	36,137	23,431	128,108
Transmission Costs	3,003	3,593	15,263
Purchased power	20,612	9,855	63,416
Frequency regulator	646	273	1,707
Operating and Maintenance	7,652	8,453	29,808
Administrative and general expenses	6,931	7,384	30,824
Depreciation & Amortization	8,256	4,406	28,792
Operating Income	17,247	7,452	46,600
Financial Expenses, net	2,771	1,301	7,843
Foreign exchange loss (gain)	(18)	200	(240)
Other expenses (income), net	1,244	1,165	5,875
Income (loss) before income tax	13,250	4,786	33,122
Income tax	1,380	-	-
Deferred Income tax	847	1,115	(4,016)
Net Income (loss)	**11,023**	**3,670**	**37,138**

EBITDA	Twelve-month ended quarter March 2008	Twelve-month ended quarter March 2007
	(Thousands of U.S. dollars except where otherwise expressed)	
Net income (loss)	44,159	21,866
plus:		
Income tax (current)	1,380	-
Income tax (deferred)	(3,999)	6,247
Financial expense, net	9,588	6,354
Foreing exchange gain (loss)	(473)	(900)
Other income (expense)	6,013	(2,186)
Depreciation and amortization	32,369	27,446
EBITDA	89,037	58,827

RATIOS		
Interest Coverage Ratio, (No less than 2.5:1)	9.3	9.3
Net Debt to EBITDA Ratio, (No greater than 3.5:1)	1.3	1.3

Empresa Generadora de Electricidad Haina, S.A.
Unaudited Consolidated Balance Sheet
As of March 31st, 2008 and 2007
(Expressed in thousands of US$)

	Quarter Ended		
	March		December
	2008	2007	2007
	(Thousands of U.S. dollars except where otherwise expressed)		
Balance Sheet Data:			
Assets:			
Cash and cash at banks including short term investment	80,958	12,294	67,053
Account receivable	114,706	43,928	110,758
Inventory	28,025	19,844	17,025
Other Assets	10,148	6,300	9,283
Long term receivables	46,603	41,901	44,380
Property, plant and equipment net	256,264	269,474	261,750
Deposits & deferred assets	18,670	22,764	20,412
Total assets	**555,374**	**416,505**	**530,661**
Liabilities:			
Short-term debt, including current portion of long-term debt	12,970	9,864	12,441
Accounts payable	12,641	14,125	6,100
Current liabilities payable to related parties	20,268	3,278	17,630
Accounts Payables to Generators	5,579	10,347	6,891
Payables to HIC	-	12,225	-
Long term debt	175,000	88,142	175,000
Other Liabilities	18,820	12,912	13,520
Total Liabilities	**245,278**	**150,893**	**231,582**
Shareholder's equity	**310,096**	**265,612**	**299,079**
Total Liabilities & Shareholder's equity	**555,374**	**416,505**	**530,661**

Empresa Generadora de Electricidad Haina, S.A.
Unaudited Consolidated Statement of Cash Flows
For the three months ended March 31st, 2008 and 2007
(Expressed in thousands of US$)

	Quarter Ended March 2008	Quarter Ended March 2007	Jan - Dec 2007
Cash flows from operating activities			
Net income	**11,022**	3,679	36,953
Adjustments to reconcile the net income to net cash			-
provided by (used in) operating activities			-
Disposal of Fixed Assets			10,951
Depreciation and amortization	**6,620**	3,793	16,041
Adjustment to Accumulated depreciation due to fixed asset disposal			(11,071)
Changes in current assets and liabilities			-
Others	(5)		
Accounts receivable	(3,948)	27,433	(39,397)
Inventories	(10,999)	(3,608)	(789)
Prepaid expenses	(865)	(2,160)	(2,162)
Deferred Income Tax	**847**	1,130	(3,984)
Other Assets net	**1,742**	461	(804)
Accounts payable and accrued expenses	**3,624**	6,974	(4,880)
Payables to related parties	**2,637**	(17,128)	(2,775)
Other Liabilities	**7,719**	(4,646)	(1,666)
Other Non Current Lialibities	(1,662)	(1,851)	(13,942)
Net cash provided by operating activities	**16,732**	**14,077**	**(17,525)**
Cash flows from investing activities			
Net changes in Deposits in Bank restricted and Unrestricted	-	(178)	3,632
Purchases of property, plant and equipment (PPE)	(1,134)	(47)	(4,452)
Changes in Short Term Investment	(7,133)	11	(54,048)
Net cash used in investing activities	**(8,267)**	**(214)**	**(54,868)**
Cash flows from financing activities			
Net changes in Short Term Debt	529	(8,411)	(2,467)
Current Portion of Long Term Debt		-	(3,368)
Net changes in Long Term Debt		(570)	86,288
Changes in Long Term Receivables	(2,223)	-	(2,479)
Net cash provided by financing activities	**(1,694)**	**(8,981)**	**77,974**
Net increase in cash	6,771	4,882	5,581
Cash at the beginning of the year	11,994	6,412	6,412
Cash at the end of the period	**18,765**	**11,294**	**11,993**
Plus: Short Term Investment	62,192	1,000	55,059
Cash and cash at banks including short term investment	**80,957**	**12,294**	**67,052**

Business Development

Over the course of the first quarter, the Company continued analyzing the feasibility of three specific projects:

- the conversion of Haina Gas Turbine to natural gas and its possible relocation to another site.
- the installation of new generation at the Haina Complex, and
- the installation of a heat recovery system at the Sultana plant.

As previously mentioned, EGE Haina signed an MOU with KEPCO (the principal Korean power company) during April 2008. This agreement stipulates that jointly, the companies will study the engineering, procurement and construction, including operation and maintenance of a 240 MW coal-fired power plant.

The Company expects to determine the feasibility of the project within the next 6 to 9 months.

Note:

The financial statements presented herein have not been audited and were prepared in conformity with the Generally Accepted Accounting Principles of the United States (US GAAP).

The results presented in this report have not been audited and were prepared in Dollars in conformity with generally accepted accounting principles in the United States, as of any date of determination, or "GAPP".

This report may contain forward-looking statements speculative in nature based on the information, operational plants and forecasts currently available about future trends and facts. As such, they are subject to risks and uncertainties. A wide variety of factors may cause real facts to differ significantly from the issues presented or anticipated in this report, including, among others, changes in general economic, political, governmental and business conditions. In the event of materializing any of these risks or uncertainties, or if underlying assumptions prove to be mistaken, future real facts may vary significantly. EGE Haina is not bound to update or correct the information contained in this report.

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