

Power for Generations

2008 ANNUAL REPORT

FINANCIAL HIGHLIGHTS

	2008	2007
Energy sales to members	12,187,716 MWh	12,237,590 MWh
Sales to others	409,723 MWh	366,110 MWh
Excess energy sales	575,756 MWh	704,419 MWh
Total	13,173,195 MWh	13,308,119 MWh
Average cost to members	\$51.05 /MWh	\$44.95 /MWh
Total operating revenues	\$668,565,661	\$586,972,616
Operating margin/(loss)	\$8,113,052	\$(6,228,548)
Net margins	\$15,160,117	\$462,991
Cash flows from operations	\$56,686,208	\$41,922,105
Times interest earned ratio	1.57	1.02
Debt service coverage ratio	1.21	1.01
Earnings to fixed charges	1.42	1.01
Total assets	\$1,078,426,980	\$1,105,249,431
Net utility plant	\$746,907,938	\$746,475,642
Total long-term debt	\$419,060,433	\$459,591,126
Total equity	\$437,204,503	\$422,078,039
Equity to assets ratio	40.54%	38.19%
Equity as % of capitalization	51.06%	47.87%
Long-term debt to equity ratio	0.96	1.09



**Arkansas Electric
Cooperative Corporation**