

Q9. a. Provide Highstar's Annual Reports for 2003 and 2004.

**RESPONSE:** Highstar was formed in 2004. As such it has not generated annual reports for 2003. 2004 annual reports for the Fund are attached as **Exhibit 9**. This information is \*confidential\* -- the Fund is privately-held and its statements are not, and must not be, available to the public.

Q9. b. Provide a current balance sheet and income statement for the most recent reporting quarter and annual or fiscal year for Highstar and all Highstar's subsidiaries and affiliates.

**RESPONSE:** Please refer to response 9a.

Q9. c. State for Highstar and for each Highstar subsidiary the book value of its assets.

**RESPONSE:** As of December 31, 2004, book values are \$91.5 million, \$113.5 million and \$2.7 million for Highstar II, Highstar Prism, and Highstar Overseas, respectively.

Q9. d. Provide the financial performance measures and ratios for Highstar for the most recent reporting quarter and annual or fiscal year. Include, but do not limit the response to, the following measures and ratios:

(1) P/E Ratio (price divided by earnings per share).

(2) Dividend Yield (dividend yield based on present cash dividend rate).

- (3) Payout Ratio (primary or basic earnings per share excluding extraordinary items paid to common shareholders in the form of cash dividends).
- (4) Quick Ratio (cash plus short-term investments plus accounts receivable, divided by total current liabilities).
- (5) Current Ratio (total current assets divided by total current liabilities).
- (6) Interest Coverage (earnings before interest and taxes divided by interest expense).
- (7) Equity Ratio (total common equity divided by total capitalization).
- (8) Return on Equity (income available to common shareholders divided by common equity).

**RESPONSE:** These measures are not relevant to the Fund. Through Hydro Star, the Fund is acquiring the stock (and operations) of Utilities as they exist at closing.

- Q9. e. (1) State the current bond and/or debt ratings for Highstar debt instruments and all debt instruments issued separately by a Highstar subsidiary or affiliate. Identify the rating agency or institution.

(2) If any rating agency or institution has any of the debt instruments on a credit watch or similar review that may lead to a change in any rating, identify the debt instrument and the rating agency or institution, and state the reasons given for placement on a credit watch.

**RESPONSE:** The Fund does not have any debt issuances.

Q9. f. Provide the dividend history of Highstar (or any corporate predecessor) since 1995, as well as the dividend history of each subsidiary and affiliate since 1995.

**RESPONSE:** The Fund makes dividends to its limited partners periodically.

Q9. g. Provide charts showing the stock price activity for Highstar (or any corporate predecessor) since 1995, on the applicable stock exchange. Explain the reason(s) for any significant movements in the stock price during the period.

**RESPONSE:** No share price activity and no charts are available in response to this question.

Q9. h. Provide investor ratings of Highstar (or its corporate predecessors) and each subsidiary or affiliate since 1995. Identify any of these ratings

that are currently under review and state the circumstances of such review.

**RESPONSE:** Not Applicable.

Q9. i. List each entity or individual that holds 5 percent or more of Highstar's outstanding capital stock as of December 31, 2004 and state the percentage of capital stock held by that entity or individual.

**RESPONSE:** The Fund's capital consists of commitments from Limited Partners. The Limited Partners are parties to an agreement with Fund management and do not have voting rights with respect to the Fund's individual investments.

**WITNESS:** John Stokes

# **EXHIBIT 9**