

Enron Gas Pipeline Group

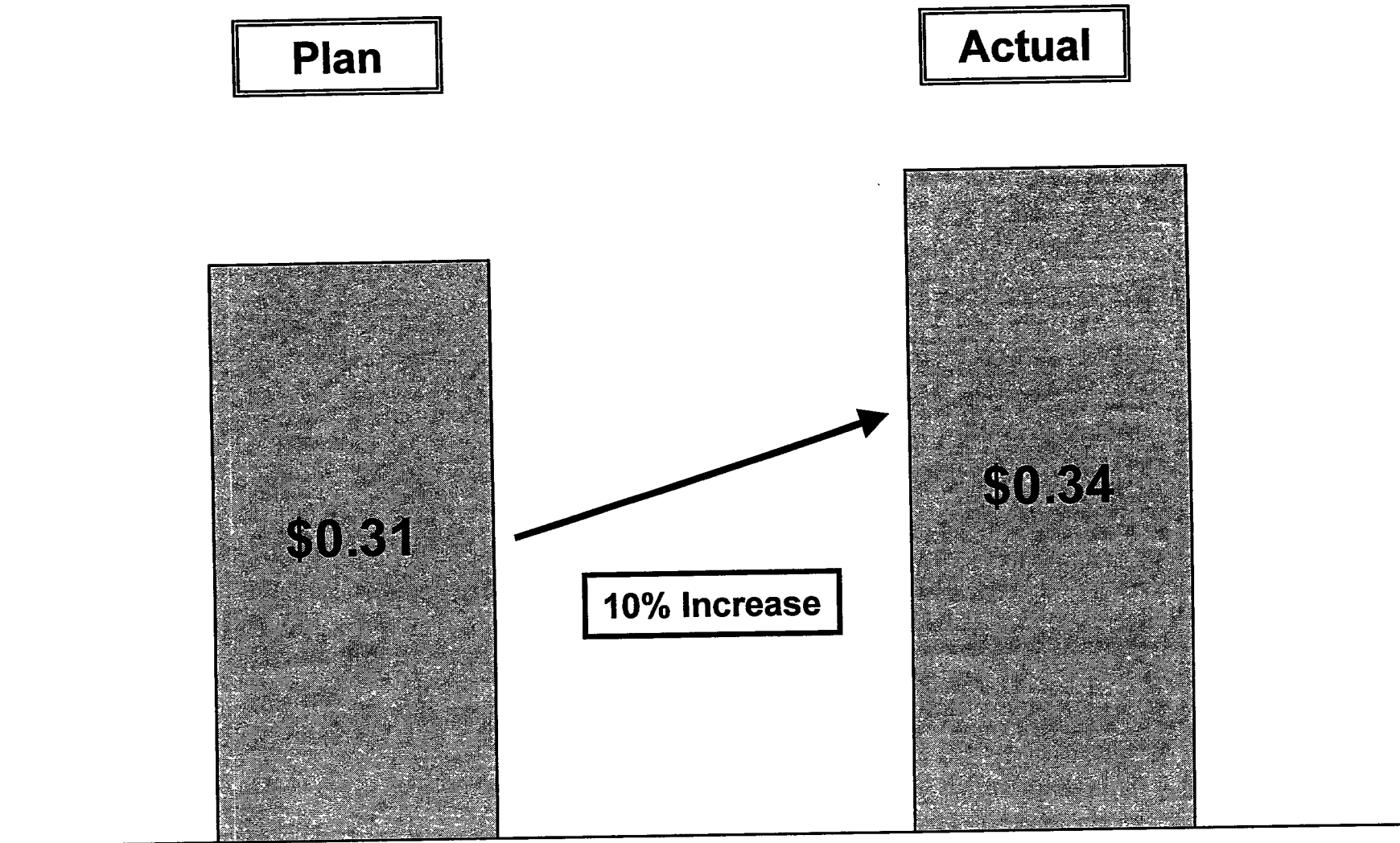
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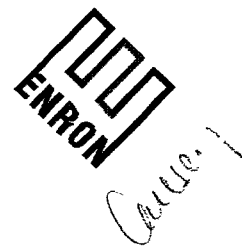
Financial and Earnings Report

EC004391637

Second Quarter 2000 Diluted E.P.S.



EC004391638



Six Months Ended June 30, 2000 Diluted E.P.S.

Plan

Actual

\$0.68

\$0.74

9% Increase

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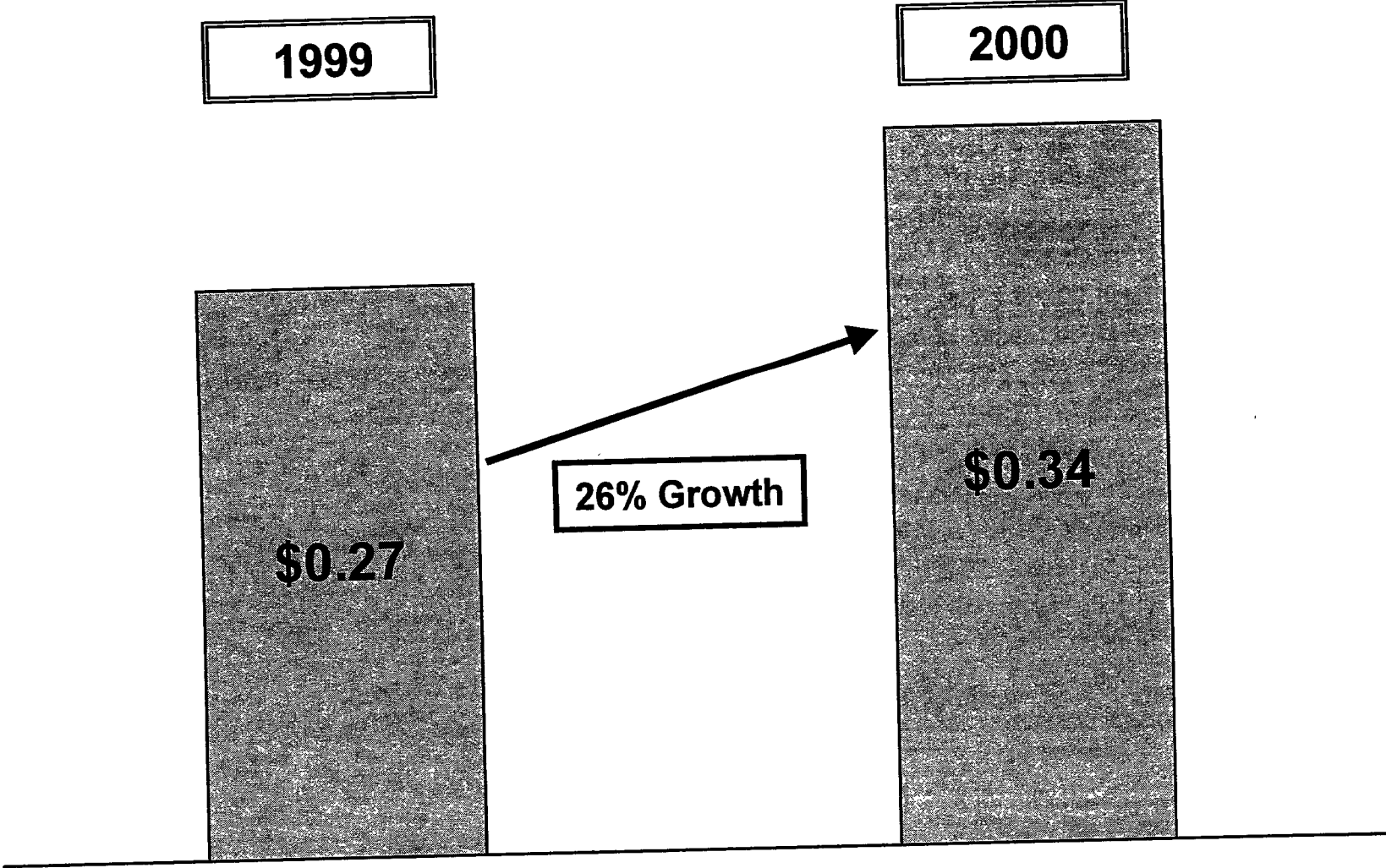
Net Income

(\$MM)

	<u>Second Quarter</u>		<u>Six Months</u>	
	<u>Plan</u>	<u>Actual</u>	<u>Plan</u>	<u>Actual</u>
Transportation & Distribution				
Gas Pipeline Group	\$ 34	\$ 58	\$ 115	\$ 143
Portland General Group	20	20	82	79
Wholesale				
North America	113	181	196	281
Europe	30	20	82	78
International Regions	23	21	37	54
Enron Energy Services	6	6	8	10
Enron Broadband Services	(16)	(11)	(25)	(14)
Corporate and Other	54	5	80	15
Azurix	(6)	(11)	(9)	(17)
Recurring Net Income	<u>\$ 258</u>	<u>\$ 289</u>	<u>\$ 566</u>	<u>\$ 629</u>

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Diluted E.P.S. Second Quarter



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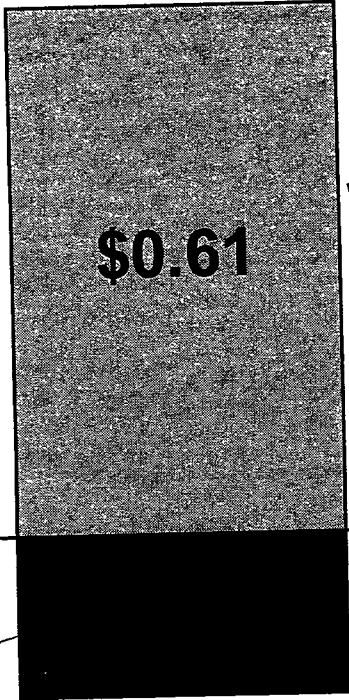


Diluted E.P.S. Six Months Ended June 30,

1999

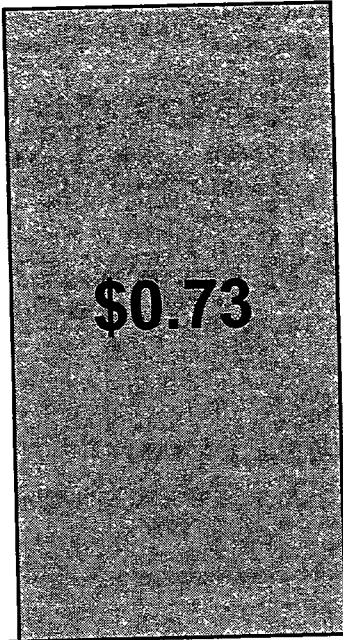
2000

\$0.43



\$0.61

20% Growth



\$0.73

*Acct Δ for
Start of 2000*

■ Recurring ■ Non-recurring

EC004391642



Second Quarter Earnings by Segment

(\$ MM)

	<u>Second Quarter</u>		<u>Six Months</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Wholesale Energy Operations	81 \$ 437	\$ 356	\$ 856	676
Transmission & Distribution	9 139	128	372	346
Retail Energy Services	5 24	(26)	40	(57)
Broadband Services	(8)	-	(8)	-
Corporate and Other	17	11	(27)	37
Interest, MI, & Income Tax	<u>(320)</u>	<u>(247)</u>	<u>(606)</u>	<u>(527)</u>
Net Income	67 <u>\$ 289</u>	<u>\$ 222</u>	<u>\$ 627</u>	<u>\$475</u>

30%

32%



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Balance Sheet Debt 2000 Activity

(\$MM)

	<i>Actual</i> <u>Jan- June</u>	<u>July - Dec</u>	<u>Full Year</u>	<u>Plan</u>
Opening Debt Balance	\$ (8,152)	\$ (11,697)	\$ (8,152)	\$ (8,200)
Funds Flow from Operations	183	2,317	2,500	2,300
Change in Working Capital <i>Margins</i>	(605)	605	-	40
Proceeds from Sales of Assets <i>Planned</i>	67	1,240	1,307	1,307
<i>Sale of 15% of Debutol & sale in S.A.</i> Capital Expenditures	(994)	(851)	(1,845)	(1,674)
Equity Investments	(1,394)	(382)	(1,776)	(1,687)
Dividends	(265)	(287)	(552)	(450)
Other	(537)	267	(270)	(424)
Period Activity	<u>(3,545)</u>	<u>2,909</u>	<u>(636)</u>	<u>(588)</u>
Period Ending Debt Balance	<u><u>\$ (11,697)</u></u>	<u><u>\$ (8,788)</u></u>	<u><u>\$ (8,788)</u></u>	<u><u>\$ (8,788)</u></u>

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