

**Enron Corp.
Board of Directors Meeting
IR Slides**

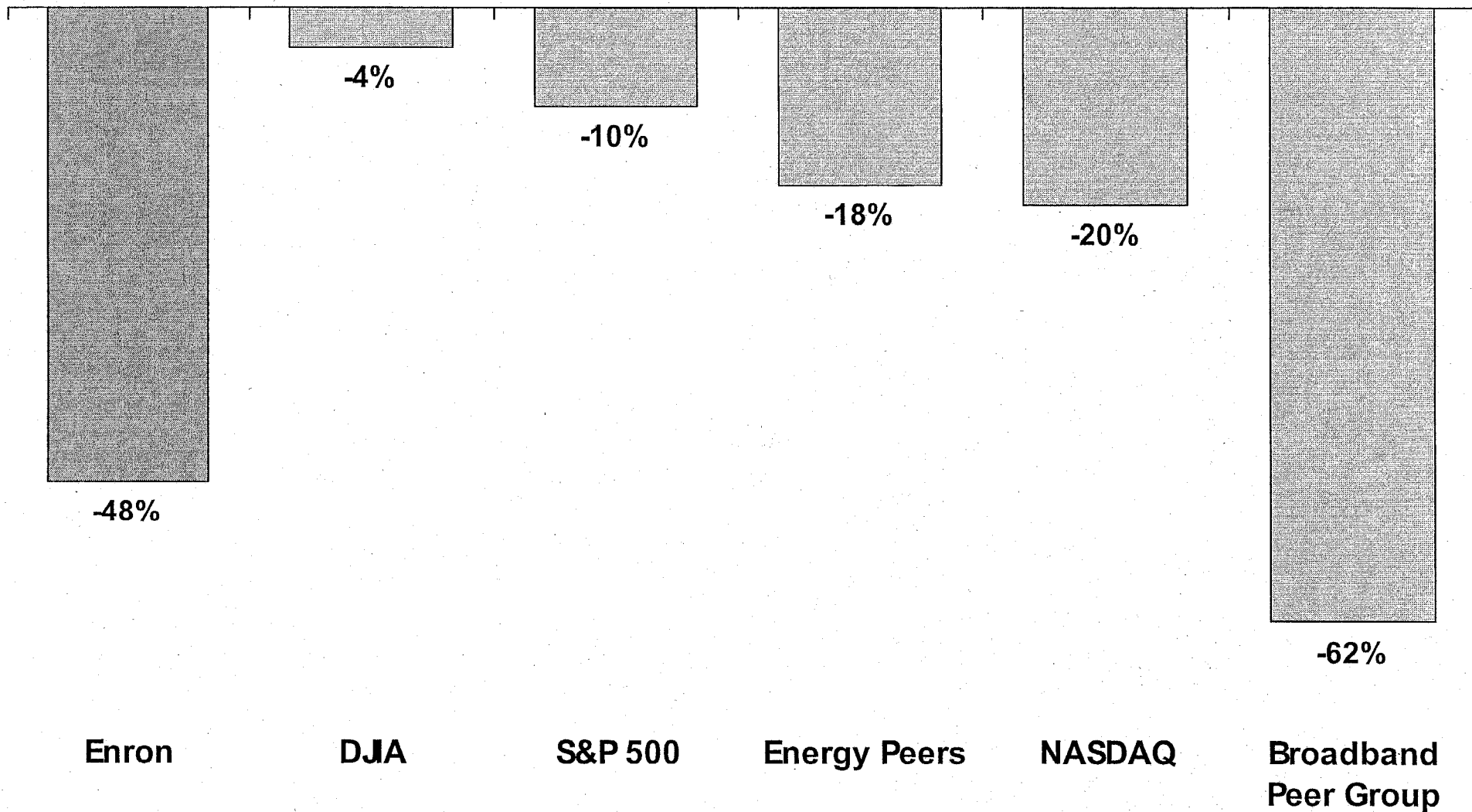
August 13, 2001

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2001 YTD Total Return to Shareholder

(Through 8/08/01)

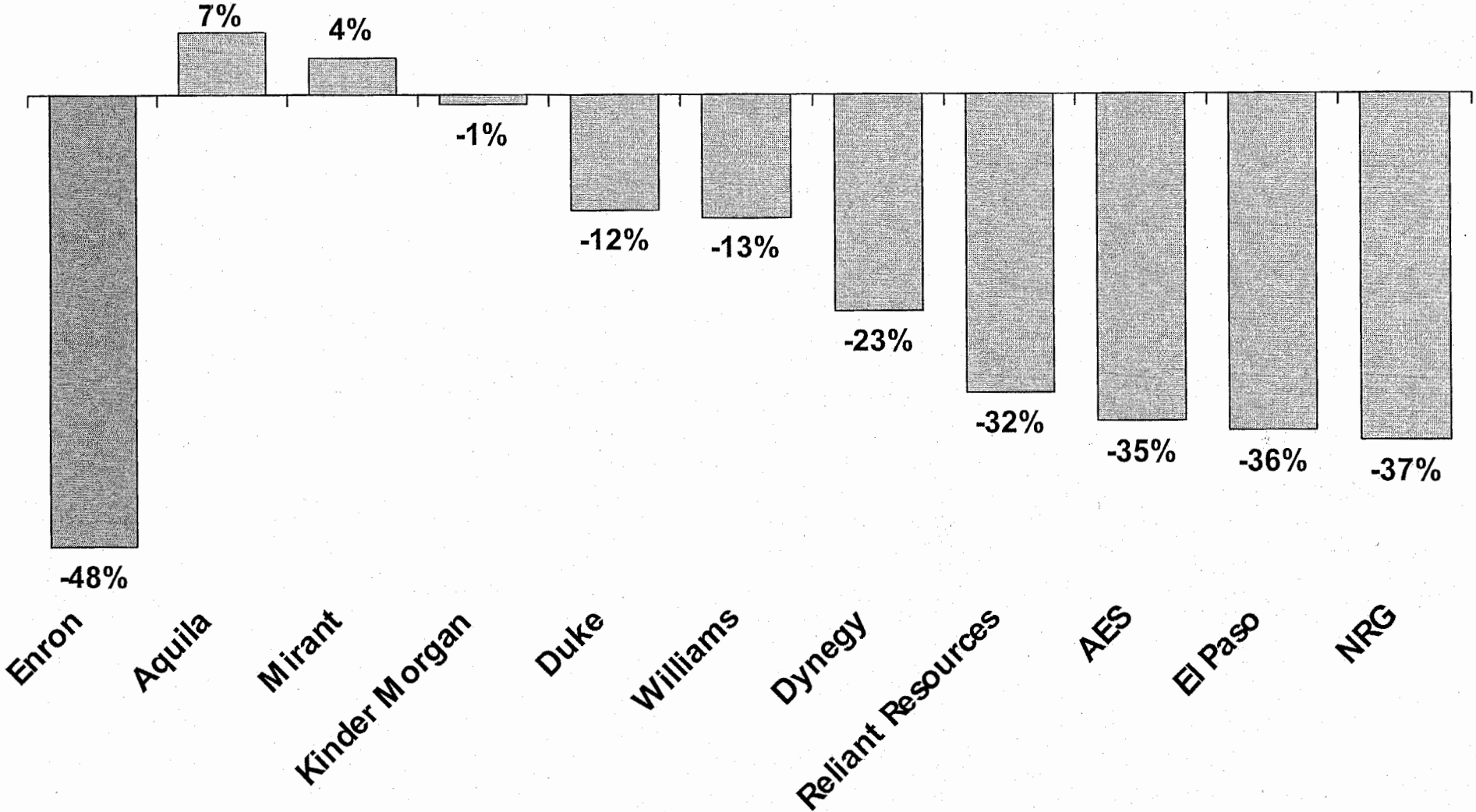


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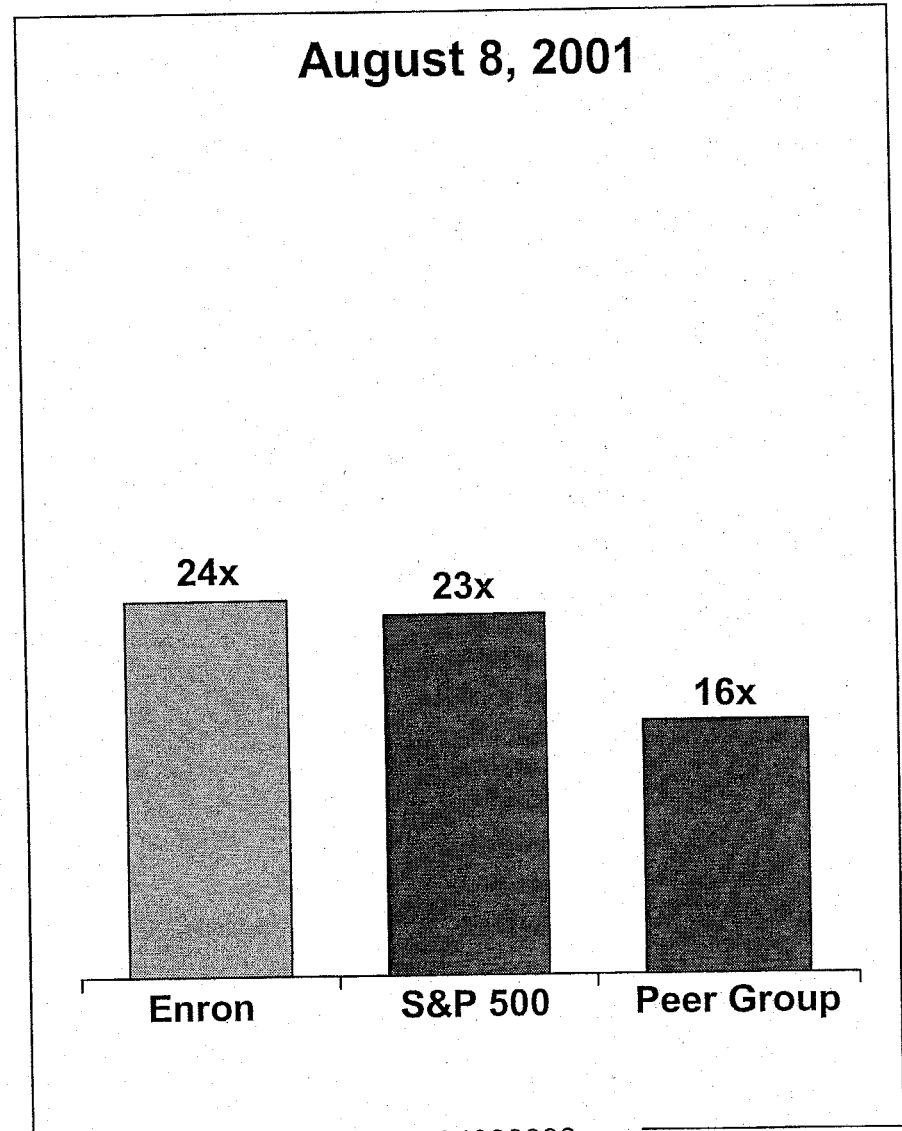
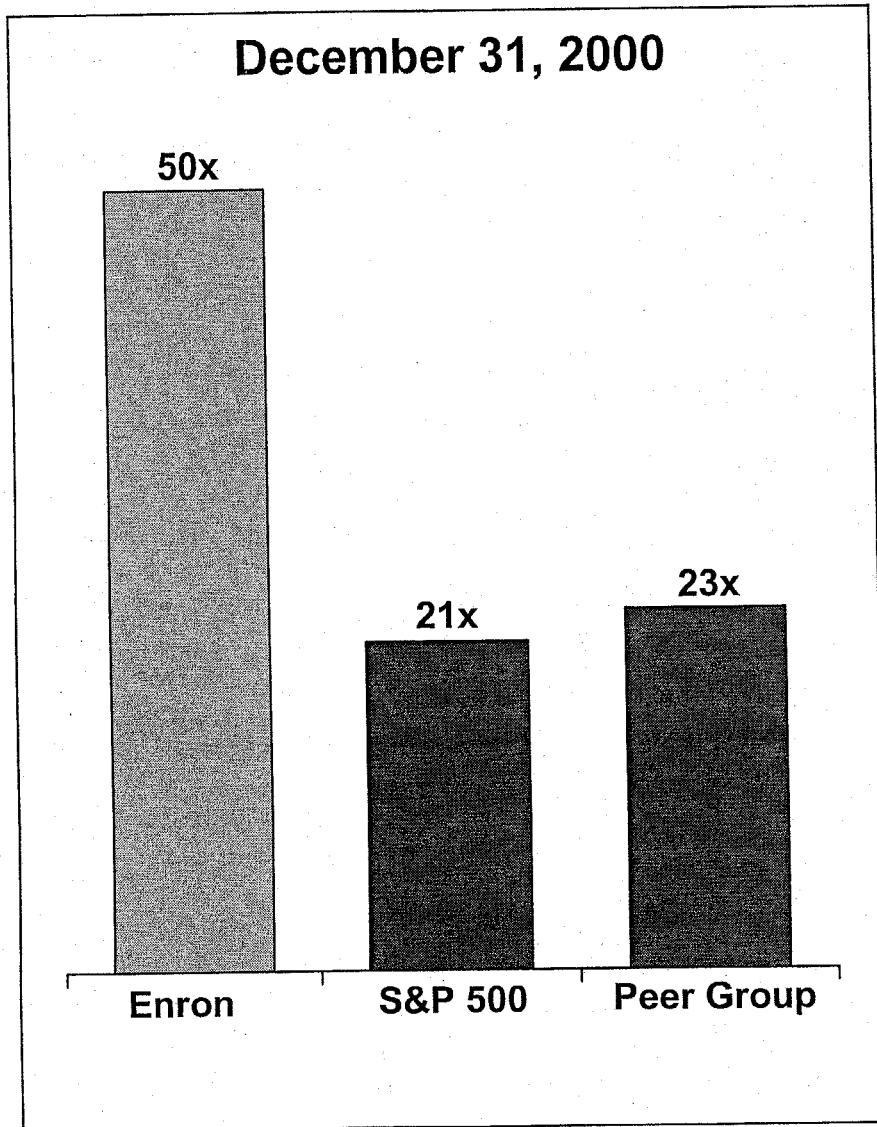
Merchant Energy Peers 2001 YTD Total Return

(Through 8/08/01)



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Relative Valuation (P/E Ratio*)



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*Based on 2001 EPS Estimates

Recent Investor Concerns

- **California**
- **India**
- **Enron Broadband Services**
- **Cash Flow & Financing Vehicles**
- **“Trading” in Enron’s Business Model**



- **Insider Stock Sales**
- **Progress on International Asset Sales**

California

- **Receivables Exposure**
 - Fully Reserved
 - Active PG&E Creditors' Committee Member
- **Potential Wholesale Refunds**
 - Minimal Enron Amounts Cited
 - Possible Net Amount Owed to Enron
- **Contempt Issue**
 - Enron Stance Centered Around Due Process
 - Near Resolution/ Compliance

No Impact Expected on 2001 Earnings Results

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India

Dabhol Power Update

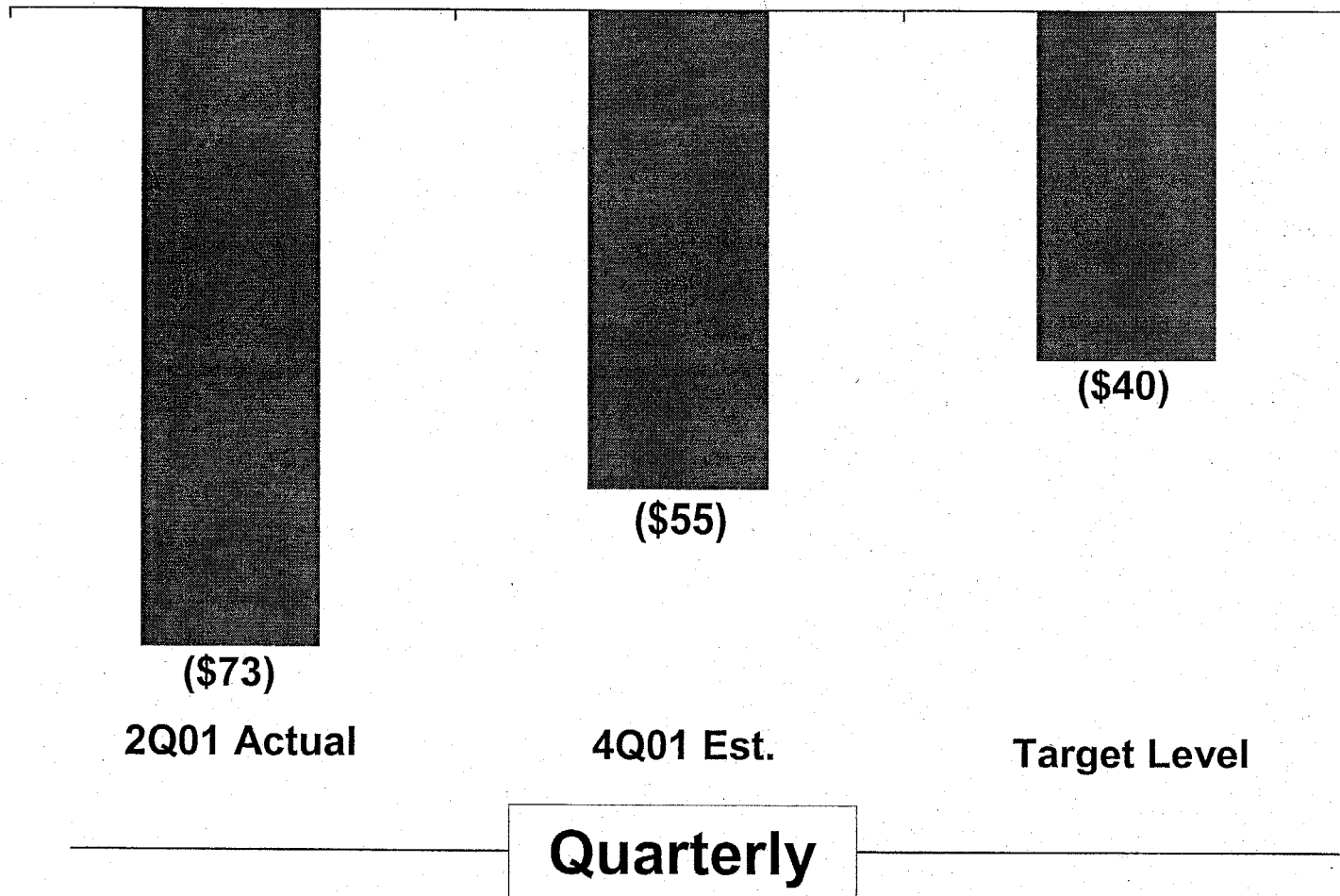
- **740 MW Phase I Operational; 1,444 MW Phase II 95% Complete; Construction Suspended**
- **Customer Has Multiple Defaults and Has Repudiated the Contract**
- **Owners and Lenders Pursuing Well-Defined Contractual Remedies**
 - Declared Political Force Majeure
 - Initiated 6-Month Cure Period
 - Continued Enforcement of Contractual Rights
- **\$875 Million Total Investment by Enron**

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Enron Broadband Services General & Administrative Costs

(Millions)

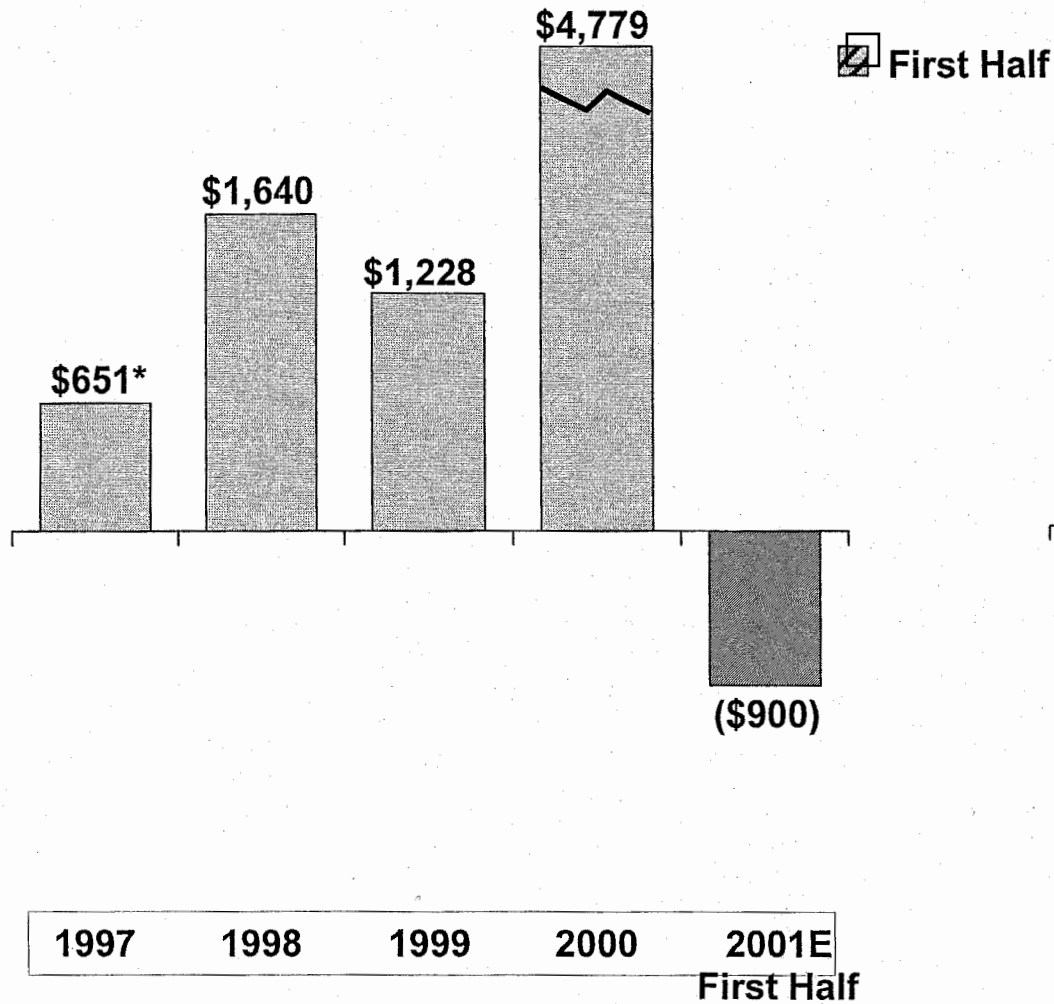


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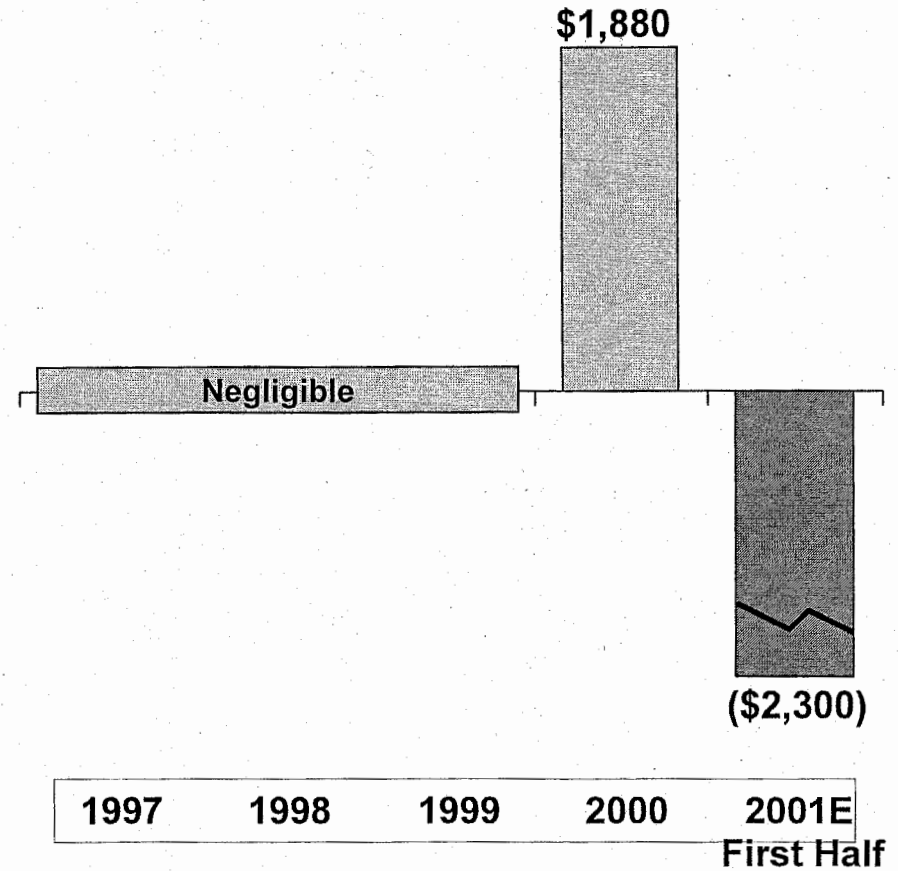
Cash Flow From Operations

(Millions)

Reported in Financial Statements



Cash Flow Impact of Deposits



*Excluding J-Block Settlement

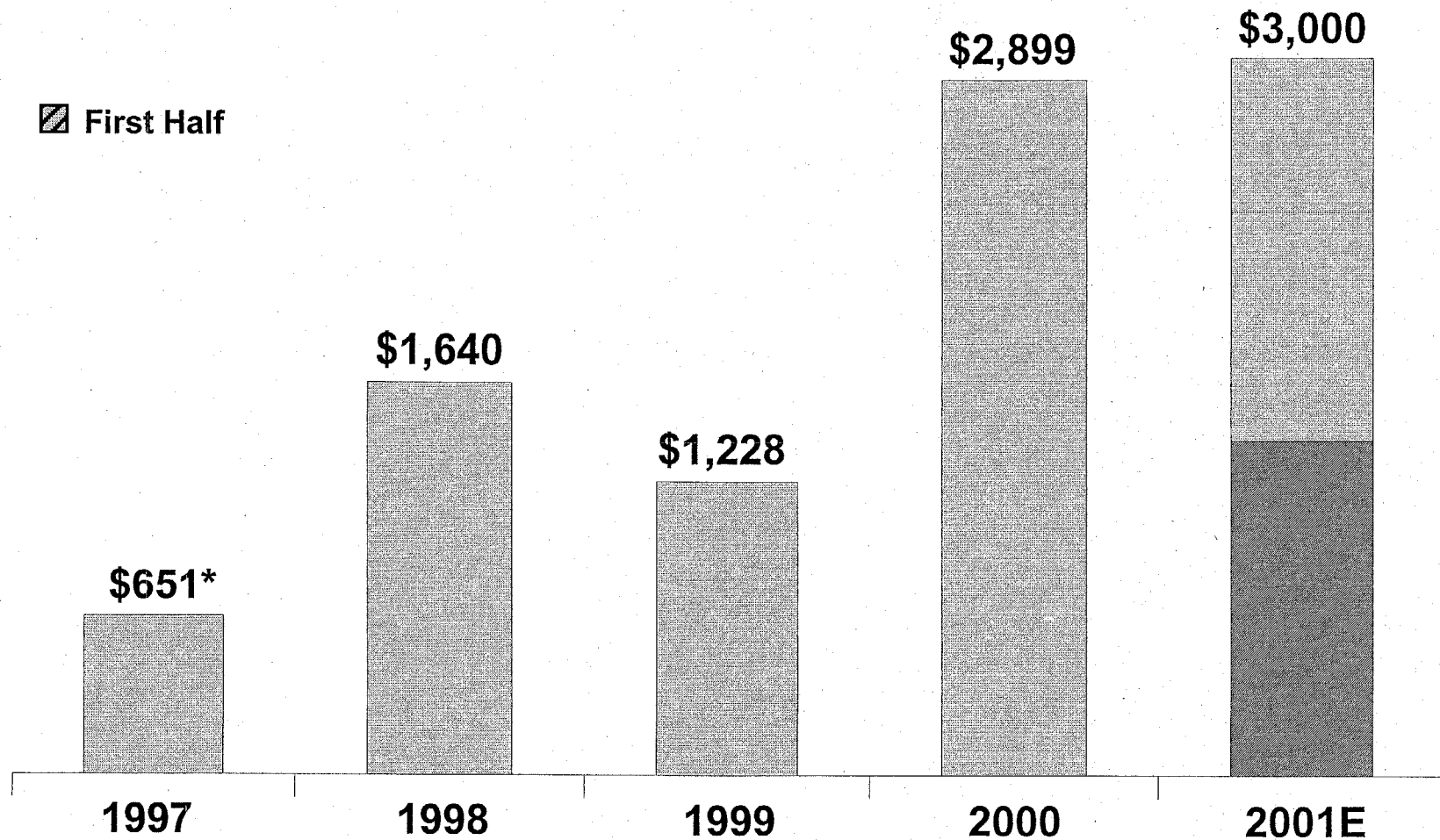
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Cash Flow from Operations

Excluding Deposits

(Millions)



▨ First Half

*Excluding J-Block Settlement

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Off-Balance Sheet Transactions

- **Funding Cost-Effectively Expands Enron's Credit Capacity**
 - Primarily Reflects Whitewing and Marlin Issuances
- **Eliminating Related Party Relationship with LJM**
- **Primarily Supported by Asset Values; Secondary Support from Equity-Backed Commitments**

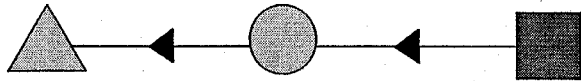
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Contrasting Business Approaches

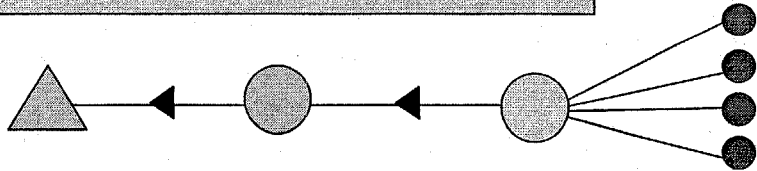
Example: Providing Reliable Power Supply

Utilities



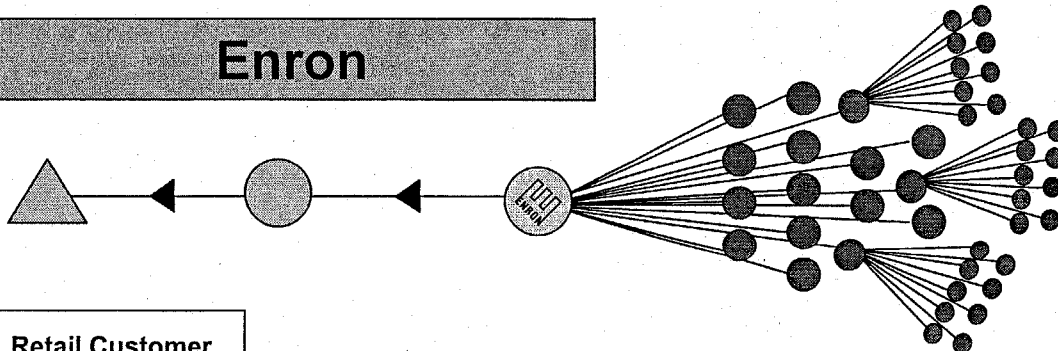
Source from Dedicated Plant

Merchants

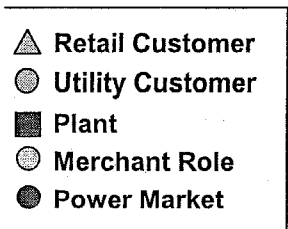


Aggregate Power from Market Sources

Enron

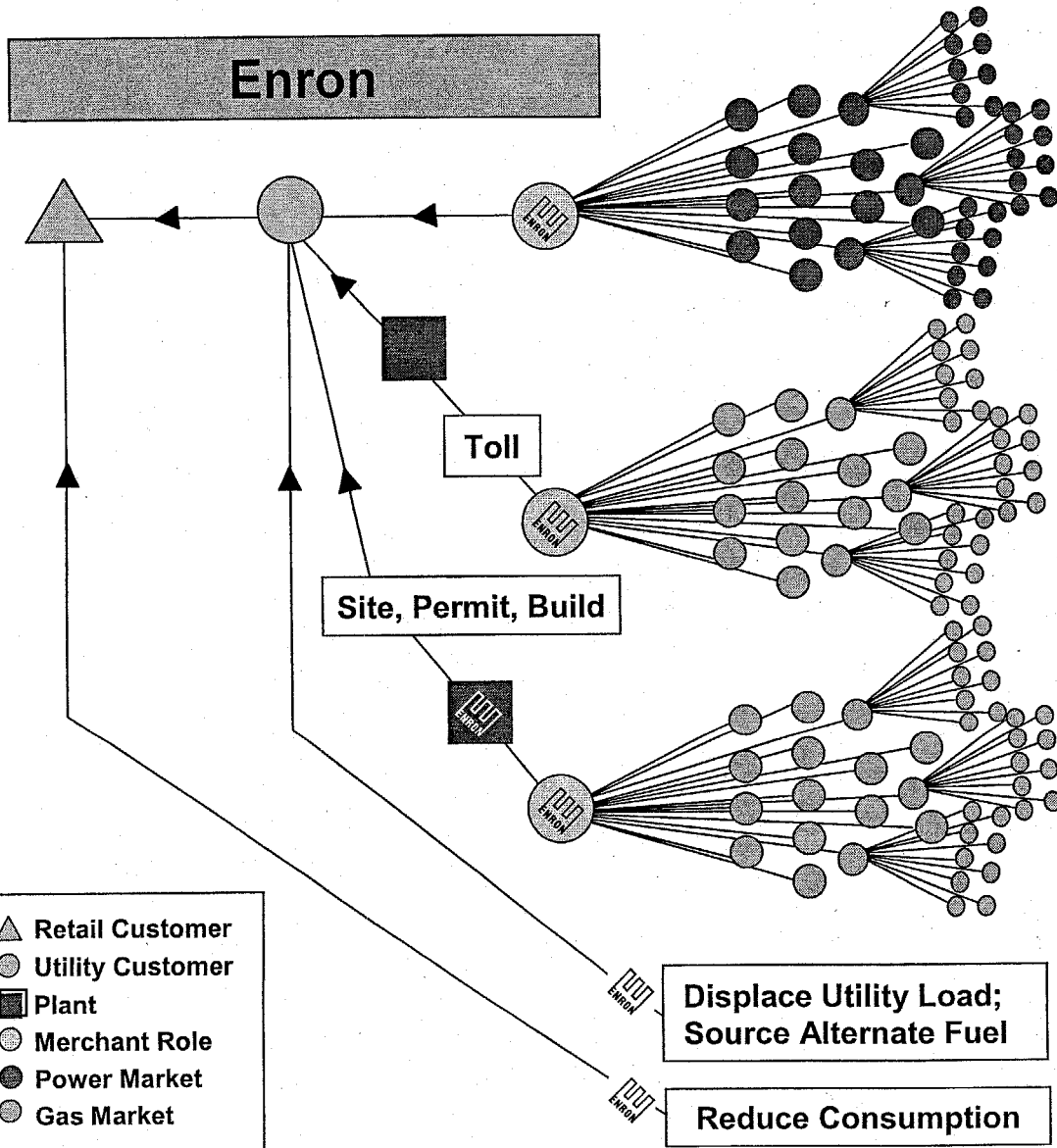


Aggregate Cheapest Power from Numerous, Deep Market Sources



Enron's Unique Network Alternatives

Example: Providing Reliable Power Supply



Aggregate Cheapest Power from Numerous, Deep Sources

Contract for Capacity; Aggregate Cheapest Gas Supply

Build Plant; Aggregate Cheapest Gas Supply

Influence Demand

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Largest Shareholders*

(As of June 30, 2001)

<u>Name</u>	<u>Shares Held</u>	<u>Location</u>	<u>Change From 3/31/01</u>
Janus Capital Corp.	42,000,000	Denver	(6,000,000)
Putnam Investment Management, Inc.	26,000,000	Boston	7,000,000
Alliance Capital Management L.P.	19,800,000	New York	5,800,000
Fidelity Management & Research	16,000,000	Boston	(3,500,000)
Smith Barney Asset Management	14,000,000	New York	-
Government of Singapore Investment Corp	13,700,000	Singapore	5,570,000
Northern Trust Global Investments	9,600,000	Chicago	200,000
Merrill Lynch Asset Management	9,500,000	Plainsboro	1,775,000
AIM Management Group	9,500,000	Houston	1,500,000
UBS Warburg LLC	8,000,000	New York	3,000,000
Dresdner RCM Global Investors	6,700,000	San Francisco	100,000
American Express Financial Advisors	6,350,000	Minneapolis	(7,100,000)
MS Dean Witter Advisors	6,100,000	New York	200,000
Rorer Asset Management	6,000,000	Philadelphia	(200,000)
Deutsche Asset Mgmt. Ltd. (Morgan Grenfell)	5,600,000	London	-
Goldman Sachs & Company	4,800,000	New York	(200,000)
Banc of America Capital Management	4,500,000	St. Louis	700,000
Robur Kapital Forvaltning A.B.	4,400,000	Stockholm	-
Evergreen Institutional (First Union NBC)	4,300,000	Charlotte	-
American Century Investment Management	4,200,000	Kansas City	(4,700,000)

*Excluding Index Funds

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Analyst Recommendations

Firm	Name	Rating	Target Price
Bank of America Montgomery Securities	Dan Tulis/Will Maze	Strong Buy	\$ 60
CIBC Oppenheimer	Bill Hylar	Buy	\$ 65
CS First Boston	Curt Launer	Strong Buy	\$ 84
Dain Rauscher Wessels	Mark Easterbrook	Strong Buy	\$ 76
Edward Jones	Zach Wagner	Buy	--
First Albany	Bob Christensen	Strong Buy	\$ 80
Goldman Sachs	David Fleischer	Buy	\$ 68
J.P. Morgan	Anatol Feygin	Buy	\$ 90
Lehman Brothers	Richard Gross	Strong Buy	\$ 72
Merrill Lynch	Donato Eassey	Buy	\$ 75
Morgan Stanley	Dennis Higgins	Buy	\$ 85
Prudential Securities	Carol Coale	Buy	\$ 55
Salomon Smith Barney	Ray Niles	Buy	\$ 75
Simmons & Co.	Jeff Dietert	Buy	\$ 55
U.B.S. Warburg	Ron Barone	Strong Buy	\$ 70
A.G. Edwards	Mike Heim	Accumulate	\$ 55
Bear Stearns	Robert Winters	Attractive	\$ 98
Commerzbank Securities	Andre Meade	Accumulate	\$ 70
Howard Weil	Rebecca Followill	Accumulate	\$ 76
Bernstein	Duane Grubert	Hold	--
Sanders Morris	John Olson	Hold	--