

KENNETH L. LAY

BALANCE SHEET COMPARISON

	<u>1/31/99</u>	<u>2/28/99</u>	<u>Variance</u>	
Current Assets	3,080,040	2,436,362	(643,678)	Money invested in Fayez & Cypress Asset accts
Marketable Investments				
Common Stocks	63,702,677	57,122,706	(6,579,971)	Gifted 50,000 sh ENE lower ENE & CPQ prices
Executive Stock Options	80,784,942	76,139,365	(4,645,577)	ENE stock opt exercised, lower ENE & CPQ prices
Preferred Stock	89,480	263,966	174,486	Investment revalued by SMM
Bonds	134,541	134,541	-	
Mutual Funds	588,167	565,640	(22,527)	
Partnerships (Family)*	19,471,041	17,498,162	(1,972,879)	Lower Enron & Compaq stock prices
Long Term Investments	20,042,408	20,268,187	225,779	Huntingdon Advances
Retirement Deferred Assets	12,574,020	12,559,716	(14,304)	
Personal Non Earning Assets	920,482	1,273,376	352,894	Art Work-Huntingdon
Current Liabilities	(45,614,246)	(42,347,333)	3,266,913	Pay down from exercise of Enron Stock Options
Long Term Liabilities	(48,942,236)	(45,769,099)	3,173,137	Decreased Deferred Tax Liability
Business Liabilities	<u>(145,687)</u>	<u>(154,715)</u>	<u>(9,028)</u>	
Rounding	(25)	(32)		
NET WORTH	<u>\$ 106,685,604</u>	<u>\$ 99,990,842</u>	(6,694,755)	

CONTINGENT LIABILITIES:

Ken has guaranteed an unsecured note in the amount of \$350,000 maturing on December 7, 1999 with an interest rate of 6.5% at Nations Bank for his sister, Sharon Lay.

Ken and Linda have guaranteed a mortgage in the amount of \$900,000 maturing on January 1, 2014 with an interest rate of 6.88% at Nations Bank for their daughter, Robyn Vermeil. This loan is collateralized by property appraised at \$965,000 as of December 9, 1998.

* Value based on FMV of partnership assets. No discount for partnership interest is shown.

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