

Fourth Quarter 1998

ENRON CORP.

Table 2b - Results by Segment

(Unaudited in millions, except per share amounts)

	<u>Recurring</u>	<u>Non- Recurring</u>	<u>Total</u>
IBIT:			
Transportation and Distribution			
Gas Pipeline Group	\$ 84	\$ -	\$ 84
Portland General	84	-	84
Wholesale Energy Operations and Service	201	-	201
Retail Energy Services	(26)	-	(26)
Exploration and Production	31	-	31
Corporate and Other	26	(39)	(13)
IBIT	400	(39)	361
Interest and Related Charges, net	152	-	152
Dividends on Preferred Securities of Subsidiaries	19	-	19
Minority Interests	17	-	17
Income Tax Provision (Benefit)	41	(44)	(3)
Net Income	171	5	176
Preferred Dividends			
Second preferred stock	4	-	4
Earnings on Common Stock	\$ 167	\$ 5	\$ 172
Average Number of Shares Used			
Basic			661.8
Diluted	716.4	716.4	716.4
Earnings per Common Share:			
Basic			\$ 0.26
Diluted	\$ 0.24	\$ 0.01	\$ 0.25

Note Shares outstanding and EPS amounts have been restated to reflect the two-for-one common stock split that was effective August 13, 1999

1999 Year

ENRON CORP.

Table 2c - Results by Segment

(Unaudited: in millions, except per share amounts)

	<u>Recurring</u>	<u>Non- Recurring</u>	<u>Total</u>
IBIT:			
Transportation and Distribution:			
Gas Pipeline Group	\$ 380	\$ -	\$ 380
Portland General	305	-	305
Wholesale Energy Operations and Services	1,317	-	1,317
Retail Energy Services	(68)	-	(68)
Exploration and Production (a)	65	-	65
Corporate and Other	(17)	13	(4)
IBIT	1,982	13	1,995
Interest and Related Charges, net	656	-	656
Dividends on Preferred Securities of Subsidiaries	76	-	76
Minority Interests	135	-	135
Income Tax Provision (Benefit)	158	(54)	104
Income before Cumulative Accounting Changes	957	67	1,024
Cumulative Effect of Accounting Changes, net of tax	-	(131)	(131)
Net Income (Loss)	957	(64)	893
Preferred Dividends:			
Second preferred stock	17	-	17
Series A and Series B Preferred Stock (b)	49	-	49
Earnings (Loss) on Common Stock	\$ 891	\$ (64)	\$ 827
Average Number of Shares Used: (c)			
Basic			<u>705.3</u>
Diluted	<u>769.0</u>	<u>769.0</u>	<u>769.0</u>
Earnings (Loss) per Common Share: (c)			
Basic			<u>\$ 1.17</u>
Diluted	<u>\$ 1.18</u>	<u>\$ (0.08)</u>	<u>\$ 1.10</u>

(a) Reflects results of Enron Oil & Gas through August 16, 1999, date of share exchange transaction.

(b) The Series A and Series B Preferred Stock are antidilutive and therefore have been excluded from the calculation of diluted earnings per share.

(c) Shares outstanding and EPS amounts have been restated to reflect the two-for-one common stock split that was effective August 13, 1999.

1998 Year

ENRON CORP.

Table 2d - Results by Segment

(Unaudited: in millions, except per share amounts)

	<u>Recurring</u>	<u>Non- Recurring</u>	<u>Total</u>
IBIT:			
Transportation and Distribution:			
Gas Pipeline Group	\$ 351	\$ -	\$ 351
Portland General	286	-	286
Wholesale Energy Operations and Services	968	-	968
Retail Energy Services	(119)	-	(119)
Exploration and Production	128	-	128
Corporate and Other	7	(39)	(32)
IBIT	1,621	(39)	1,582
Interest and Related Charges, net	550	-	550
Dividends on Preferred Securities of Subsidiaries	77	-	77
Minority Interests	77	-	77
Income Tax Provision (Benefit)	219	(44)	175
Net Income	698	5	703
Preferred Dividends:			
Second preferred stock	17	-	17
Earnings on Common Stock	\$ 681	\$ 5	\$ 686
Average Number of Shares Used:			
Basic			642.3
Diluted	695.3	695.3	695.3
Earnings per Common Share:			
Basic			\$ 1.07
Diluted	\$ 1.00	\$ 0.01	\$ 1.01

Note: Shares outstanding and EPS amounts have been restated to reflect the two-for-one common stock split that was effective August 13, 1999.

Transportation and Distribution
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ENRON CORP.
Table 3a - Core Business Highlights
(Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	1999	1998	1999	1998
Gas Pipeline Group				
(In Millions)				
Net Revenues	\$ 176	\$ 167	\$ 626	\$ 640
Operating Expenses	74	71	264	276
Depreciation & Amortization	14	20	66	70
Equity in Earnings	8	4	38	32
Other Income, net	1	4	46	25
IBIT	\$ 97	\$ 84	\$ 380	\$ 351
Total Volumes Transported (BBtu/d) (a)				
Northern Natural Gas	3,738	4,252	3,820	4,098
Transwestern Pipeline	1,460	1,492	1,462	1,608
Florida Gas Transmission	1,538	1,310	1,495	1,324
Northern Border Pipeline	2,406	1,781	2,405	1,770
Portland General				
(In Millions)				
Revenues	\$ 377	\$ 327	\$ 1,379	\$ 1,196
Purchased Power & Fuel	179	129	639	451
Operating Expenses	81	65	304	295
Depreciation & Amortization	44	47	181	183
Other Income, net	32	(2)	50	19
IBIT	\$ 105	\$ 84	\$ 305	\$ 286
Retail Customers (end of period, thousands)	719	704	719	704
Electricity Sales (Thousand MWh)				
Residential	2,004	2,052	7,404	7,101
Commercial	1,879	1,725	7,392	6,781
Industrial	1,198	921	4,463	3,562
Total Retail	5,081	4,698	19,259	17,444
Wholesale	3,300	2,237	12,612	10,869
Total Sales	8,381	6,935	31,871	28,313

(a) Reflects 100% of each entity's throughput volumes.

Wholesale Energy Operations and Services

ENRON CORP.
Table 3b - Core Business Highlights
(Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	1999	1998	1999	1998
Wholesale Energy Operations and Services				
(In Millions)				
Commodity Sales and Services	\$ 151	\$ 107	\$ 628	\$ 411
Energy Assets and Investments	149	140	850	709
Unallocated Expenses	(37)	(46)	(161)	(152)
IBIT	\$ 263	\$ 201	\$ 1,317	\$ 968

Commodity Sales and Services

Physical Volumes (BBtue/d) (a)

Gas:

United States	10,219	7,941	8,982	7,418
Canada	4,406	4,101	4,398	3,486
Europe	1,604	1,605	1,549	1,243
Other	26	4	23	8
	<u>16,255</u>	<u>13,651</u>	<u>14,952</u>	<u>12,155</u>
Transport Volumes	693	510	575	559
Total Gas Volumes	<u>16,948</u>	<u>14,161</u>	<u>15,527</u>	<u>12,714</u>
Oil	5,877	4,923	5,407	2,960
Liquids	947	586	753	610
Electricity (b)	<u>10,306</u>	<u>8,609</u>	<u>10,742</u>	<u>11,024</u>
Total Physical Volumes (BBtue/d) (a)	<u>34,078</u>	<u>28,279</u>	<u>32,429</u>	<u>27,308</u>

Electricity Volumes Marketed (Thousand MWh)

United States	88,254	78,969	380,518	401,843
Europe	6,443	196	11,143	483
Other	121	46	433	46
Total	<u>94,818</u>	<u>79,211</u>	<u>392,094</u>	<u>402,372</u>

Financial Settlements (Notional)(BBtue/d)	109,872	79,879	99,337	75,266
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(a) Includes third-party transactions of Enron Energy Services.

(b) Represents electricity transaction volumes marketed, converted to BBtue/d.

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