



Fourth Quarter

PUT
in
last
th

EC 001917314

ENRON
4TH QUARTER OVERVIEW
(Millions of Dollars)

Overview - Adjusted 2nd Current Estimate	\$ (73.0)
Additional restricted stock expense	54.5
Lower ESA gain	60.0
Lower APACHI earnings	25.0
Lower earnings from EE&CC	10.0
Increased earnings from EGF	(25.0)
Lower interest expense (overview)	(16.0)
Additional Corporate bonuses	15.0
Other	<u>(1.5)</u>
Overview - Sept 29	50.0
Business Units cover vesting of restricted stock	(30.0)
Increased earnings from PGG	(20.0)
Lower earnings from EE&CC	7.4
Rhythms loss to \$4.5	12.0
Increased earnings needed for increased tax rate	28.4
Increased interest expense	10.0
Other	<u>2.2</u>
Overview - Oct 16	60.0
Lower earnings from PGG	16.6
Decreased earnings from EGM for CALME	8.6
Decreased earnings from EIM	20.4
APACHI gain on sale	(14.3)
Decreased earnings from Enron Networks	13.0
Additional Rhythms loss	1.4
Additional EES earnings	(6.8)
Increased interest expense	12.7
Decreased corporate expenses	(10.0)
Other	<u>5.8</u>
Overview - Adjusted 3rd Current Estimate	<u>107.3</u>

ENRON

4TH QUARTER POTENTIAL ITEMS

(Millions of Dollars)

Overview	\$ 108.0
Portland reserve reversal	(27.0)
Correction of ENA estimate to exclude EIM	20.4
Decreased South America gain	50.0
Apachi overview	12.5
Global Finance	(30.0)
Enron Networks	(15.0)
Rhythms loss	13.4
Decreased corporate expenses, primarily HR	(10.0)
Decreased interest expense	<u>(15.0)</u>
Potential Overview	<u><u>107.3</u></u>

Potential Items to Cover Overview

Enron Networks	13.0
Global Markets	5.0
Industrial Markets back to plan	<u>16.4</u>
Total Potential Items	<u><u>34.4</u></u>

Items Included in 3rd Current Estimate

South America gain on LDC sale	100.0
India gain	42.3
APACHI gain on asset sale	14.3