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Confidential

Enron Corp.
2nd Quarter 2001 Financial Review

ENRON

EC 001943447

July 24, 2001

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EARNINGS RELEASE - EX[illegible]ERNAL FORMAT

(Millions of Dollars, except as noted)

	Second Quarter 2001 1st CE	Second Quarter 2001 Update	Second Quarter 2001 Actual	2000 Actual	01 vs 00 Growth
Transmission & Distribution					
Enron Transportation Services	$ 76.7	$ 0.3	$ 77.0	$ 77.3	
Portland General	57.7	7.2	64.9	62.0	
Total Transmission & Distribution	134.4	7.5	141.9	139.3	2%
Wholesale Energy Operations & Services					
Americas	959.5	279.6	1,239.1	331.2	
Europe	98.0	(1.2)	96.8	64.5	
CATS/Margaux	-	(43.1)	(43.1)	-	
Global Markets	54.6	(20.5)	34.1	(3.5)	
Industrial Markets	10.7	2.6	13.3	-	
Net Works	(3.8)	(1.4)	(5.2)	(7.8)	
EEOS	(4.8)	5.3	0.5	19.3	
Global Assets	41.7	-	41.7	54.3	
Retail Risk Management	(600.0)	104.2	(495.8)	(22.4)	
Other Wholesale	(19.6)	(35.5)	(55.1)	-	
Subtotal	536.3	290.0	826.3	435.6	
Global Finance	25.2	8.3	33.5	23.8	
Global E&P	13.8	1.7	15.5	7.0	
Prepays	(35.0)	(2.0)	(37.0)	(17.5)	
Other	(39.2)	3.4	(35.8)	(34.4)	
Total Wholesale Energy Ops. & Services	501.1	301.4	802.5	414.5	94%
Enron Energy Services	49.0	10.8	59.8	45.7	31%
Enron Broadband Services	(15.0)	(87.0)	(102.0)	(8.0)	
Corporate and Other					
Azurix	(25.3)	(6.1)	(31.4)	(10.8)	
Enron Renewable Energy Corp	12.9	(5.4)	7.5	13.4	
Clean Fuels	2.7	8.0	10.7	9.0	
Enron Investment Partners	(0.1)	(1.9)	(2.0)	(1.2)	
Corporate & Other Expenses	(95.9)	2.8	(93.1)	(34.2)	
Structured Transactions	4.2	(4.7)	(0.5)	42.4	
Reclass from/to Wholesale	-	-	-	(1.7)	
Total Corporate & Other	(101.5)	(7.3)	(108.8)	16.9	
Overview	180.0	(180.0)	-	-	
INCOME BEFORE INT., M.I. & INC. TAXES	748.0	45.4	793.4	608.4	30%
Interest Expense, Net	201.2	13.8	215.0	195.5	10%
Dividends on Preferred Stock of Subsidiaries	18.2	-	18.2	20.8	
Minority Interest	40.4	(10.9)	29.5	38.8	
PRE-TAX INCOME	488.2	42.5	530.7	353.3	50%
Income Tax Expense	117.2	9.2	126.4	64.4	
NET INCOME - RECURRING	$ 371.0	$ 33.3	$ 404.3	$ 288.9	40%
DILUTED EPS					
Recurring	$ 0.42	$ 0.03	$ 0.45	$ 0.34	32%
Non-recurring	-	-	-	-	
TOTAL DILUTED EPS	$ 0.42	$ 0.03	$ 0.45	$ 0.34	
Avg shares outstanding - Diluted	886.0		891.1	862.2	
Effective Tax Rate - Recurring Earnings	24.0%		23.8%	18.2%	

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EXH012-00295

EARNINGS RELEASE - EXTERNAL FORMAT

(Millions of Dollars, except as noted)

	Quarter Ended March 31			Quarter Ended June 30			Six Months Ended June 30		
	Plan	2001 Act	2000 Act	1st CE	2001 Act	2000 Act	1st CE	2001 Act	2000 Act
Transmission & Distribution									
Enron Transportation Services	$ 131.8	$ 133.3	$ 127.9	$ 76.7	$ 77.0	$ 77.3	$ 210.0	$ 210.3	$ 205.2
Portland General	100.0	60.0	105.3	57.7	64.9	62.0	117.7	124.9	167.3
Total Transmission & Distribution	231.8	193.3	233.2	134.4	141.9	139.3	327.7	335.2	372.5
Wholesale Energy Operations & Services									
Americas	270.6	847.9	137.5	959.5	1,239.1	331.2	1,807.4	2,087.0	468.7
Europe	82.4	99.0	67.7	98.0	96.8	64.5	197.0	195.8	132.2
CATS/Margaux	-	(12.1)	-	-	(43.1)	-	(12.1)	(55.2)	-
Global Markets	46.1	46.3	50.0	54.6	34.1	(3.5)	100.9	80.4	46.5
Industrial Markets	9.0	8.9	-	10.7	13.3	-	19.6	22.2	-
Net Works	(3.6)	(3.6)	(14.2)	(3.8)	(5.2)	(7.8)	(7.4)	(8.8)	(22.0)
EEOS	9.2	8.1	3.4	(4.8)	0.5	19.3	3.3	8.6	22.7
Global Assets	91.1	47.9	67.5	41.7	41.7	54.3	89.6	89.6	121.8
Retail Risk Management	-	(230.4)	10.5	(600.0)	(495.8)	(22.4)	(830.4)	(726.2)	(11.9)
Other Wholesale	(0.8)	(57.3)	-	(19.6)	(55.1)	-	(76.9)	(112.4)	-
Subtotal	504.0	754.7	322.4	538.3	826.3	435.6	1,291.0	1,581.0	758.0
Global Finance	40.0	14.7	104.4	25.2	33.5	23.8	39.9	48.2	128.2
Global E&P	5.1	15.5	4.1	13.8	15.5	7.0	29.3	31.0	11.1
Prepays	(35.1)	(15.1)	(22.9)	(35.0)	(37.0)	(17.5)	(50.1)	(52.1)	(40.4)
Other	97.5	(15.0)	21.2	(39.2)	(35.8)	(34.4)	(54.2)	(50.8)	(13.2)
Total Wholesale Energy Ops. & Services	611.5	754.8	429.2	501.1	802.5	414.5	1,255.9	1,557.3	843.7
Enron Energy Services	52.4	39.6	6.0	49.0	59.8	45.7	88.6	99.4	51.7
Enron Broadband Services	(35.0)	(35.0)	(0.3)	(15.0)	(102.0)	(8.0)	(50.0)	(137.0)	(8.3)
Corporate and Other									
Azurix	(17.1)	(31.5)	(6.0)	(25.3)	(31.4)	(10.8)	(56.8)	(62.9)	(16.8)
Enron Renewable Energy Corp	(9.8)	(16.8)	11.9	12.9	7.5	13.4	(3.9)	(9.3)	25.3
Clean Fuels	(16.1)	(17.1)	(3.3)	2.7	10.7	9.0	(14.4)	(6.4)	5.7
Enron Investment Partners	(0.1)	(1.4)	(0.4)	(0.1)	(2.0)	(1.2)	(1.5)	(3.4)	(1.6)
Corporate & Other Expenses	(82.2)	(95.7)	(35.7)	(95.9)	(93.1)	(34.2)	(191.6)	(188.8)	(69.9)
Structured Transactions	4.0	4.8	6.8	4.2	(0.5)	42.4	9.0	4.3	49.2
Other	-	-	(17.4)	-	-	(1.7)	-	-	(19.1)
Total Corporate & Other	(121.3)	(157.7)	(44.1)	(101.5)	(108.8)	16.9	(259.2)	(266.5)	(27.2)
Overview	22.4	-	-	180.0	-	-	180.0	-	-
INCOME BEFORE INT., M.I. & INC. TAXES	761.8	795.0	624.0	748.0	793.4	608.4	1,543.0	1,588.4	1,232.4
Interest Expense, Net	193.2	201.0	161.1	201.2	215.0	195.5	402.2	416.0	356.6
Dividends on Preferred Stock of Subsidiaries	18.4	18.0	18.1	18.2	18.2	20.8	36.2	36.2	38.9
Minority Interest	23.8	40.0	35.0	40.4	29.5	38.8	80.4	69.5	73.8
PRE-TAX INCOME	526.4	536.0	409.8	488.2	530.7	353.3	1,024.2	1,066.7	763.1
Income Tax Expense	126.4	130.0	72.2	117.2	126.4	64.4	247.2	256.4	136.6
NET INCOME - RECURRING	$ 400.0	$ 406.0	$ 337.6	$ 371.0	$ 404.3	$ 288.9	$ 777.0	$ 810.3	$ 626.5
DILUTED EPS									
Recurring	$ 0.45	$ 0.47	$ 0.40	$ 0.42	$ 0.45	$ 0.34	$ 0.89	$ 0.92	$ 0.74
Non-recurring	-	0.02	-	-	-	-	0.02	0.02	-
TOTAL DILUTED EPS	$ 0.45	$ 0.49	$ 0.40	$ 0.42	$ 0.45	$ 0.34	$ 0.91	$ 0.94	$ 0.74
Avg shares outstanding - Diluted	885.0	870.1	851.9	886.0	891.1	862.2	886.0	881.5	857.0
Effective Tax Rate - Recurring Earnings	24.0%	24.3%	17.6%	24.0%	23.8%	18.2%	24.1%	24.0%	17.9%

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Transportation & Distribution
2nd Quarter 2001
$ in millions

ETS

	ACTUAL					
	NNG	TW	Other Ops	Total	1st Current Estimate	2000 Act
Revenues	$ 107.9	$ 46.6	$ (3.7)	$ 150.8	$ 125.6	$ 165.7
Cost of Sales	29.6	-	0.1	29.7	(1.1)	18.0
Gross Margin	78.3	46.6	(3.8)	121.1	126.7	147.7
Operating Expenses	64.8	12.6	(5.4)	72.0	79.7	92.3
Operating Income	13.5	34.0	1.6	49.1	47.0	55.4
Equity Earnings						
Trailblazer, Overthrust	2.0	-	-	2.0	1.1	1.0
Citrus	-	-	11.2	11.2	9.3	9.0
Northern Border	-	-	2.2	2.2	1.9	1.7
EOTT	-	-	1.2	1.2	2.4	(1.8)
Gains on Sales	0.6	-	0.8	1.4	-	1.0
Other Income	0.4	(0.1)	9.6 (a)	9.9	15.0	11.0
IBIT	$ 16.5	$ 33.9	$ 26.6	$ 77.0	$ 76.7	$ 77.3

(a) Partial reversal of EOTT distribution reserve ($9.0MM)

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EXH012-00297

Transportation & Distribution
YTD Through June 30, 2001
$ in millions

ETS

	ACTUAL					
	NNG	TW	Other Ops	Total	1st Current Estimate	2000 Act
Revenues	$ 282.9	$ 105.2	$ 8.2	$ 396.3	$ 362.5	$ 371.6
Cost of Sales	32.3	-	0.1	32.4	20.5	22.8
Gross Margin	250.6	105.2	8.1	363.9	342.0	348.8
Operating Expenses	141.6	42.9	10.9	195.4	175.7	173.8
Operating Income	109.0	62.3	(2.8)	168.5	166.3	175.0
Equity Earnings						
Trailblazer, Overthrust	3.2	-	-	3.2	2.1	1.9
Citrus	-	-	19.3	19.3	17.5	15.5
Northern Border	-	-	4.0	4.0	3.7	3.4
EOTT	-	-	3.6	3.6	4.8	(3.9)
Gains on Sales	0.6	(0.1)	0.8	1.3	-	1.0
Other Income	1.1	-	9.3 (a)	10.4	15.6	12.3
IBIT	**$ 113.9**	**$ 62.2**	**$ 34.2**	**$ 210.3**	**$ 210.0**	**$ 205.2**

(a) Partial reversal of EOTT distribution reserve ($9.0MM)

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EXH012-00298

Transportation & Distribution
2nd Quarter 2001
$ in millions

Portland General

	2nd Quarter			YTD through June 30		
	2001 Act	**1st CE**	**2000 Act**	**2001 Act**	**1st CE**	**2000 Act**
Wholesale	$ 460.0		$ 181.9	$ 657.7		$ 532.5
Retail	370.7		249.4	939.9		295.9
Total Revenues	830.7	684.0	431.3	1,597.6	1,451.2	828.4
Cost of Sales	**624.1**	**502.0**	**251.4**	**1,205.8**	**1,084.4**	**453.9**
Gross Margin	**206.6** (a)	**182.0**	**179.9**	**391.8**	**366.8**	**374.5**
Operating Expenses	(148.6) (b)	(137.7)	(122.8)	(266.9)	(255.6)	(246.4)
Other Income	6.9	13.4	4.9	-	6.5	39.2
IBIT	**$ 64.9**	**$ 57.7**	**$ 62.0**	**$ 124.9**	**$ 117.7**	**$ 167.3**

(a) Increase due to wholesale sales at higher prices offset by higher cost of sales and lower hydro generation

(b) Increase due primarily to higher maintenance costs of $3.0mm, $3.4mm termination fee paid to GATX Capital Corp., increased amortization, and an adjustment for miscellaneous other taxes

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EXH012-00299

# Wholesale Services
# 2nd Quarter 2001
$ in millions

Americas

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	2001 Act	1st CE	2000 Act
IBIT	$ 1,239.1	$ 959.5	$ 331.2	$ 2,087.0	$ 1,807.4	$ 468.7

Detail of 2001 IBIT

	2nd Quarter	YTD
Trading		
Gas	$ 149.2	$ 676.8
Power	703.1	1,208.8
Other	54.2	79.9
Total Trading	906.5	1,965.5
Originations	501.8 (a)	775.8
Assets & Investments	63.2	72.3
Expenses	(232.4)	(473.3)
TVA Settlement	-	(253.3)
IBIT	$ 1,239.1	$ 2,087.0

(a) Significant originations:

Peaker sales	412.2
Pastoria	40.4
Kern River	23.9

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Wholesale Services
2nd Quarter 2001
$ in millions

Europe

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	2001 Act	1st CE	2000 Act
IBIT	$ 96.8	$ 98.0	$ 64.5	$ 195.8	$ 197.0	$ 132.2

Detail of 2001 IBIT

	2nd Quarter	YTD
Trading		
Gas	$ 14.6	$ (8.9)
Power	51.8	187.9
Metals	16.6	25.2
Other	(10.2)	22.7
Total Trading	72.8	226.9
Originations	107.5 (a)	131.6 (b)
Assets & Investments	32.6	75.0
Expenses	(116.1)	(237.7)
IBIT	$ 96.8	$ 195.8

(a) Significant originations:

ETOL 3	36.0
Ra Portfolio	20.0
Sainsbury	18.0

(b) Significant originations:

ETOL 2 & 3	58.0
Ra Portfolio	20.0
Sainsbury	18.0
Manx	10.5

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EXH012-00301

Wholesale ervices
2nd Quarter 2001
$ in millions

Global Markets

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	2001 Act	1st CE	2000 Act
IBIT	$ 34.1	$ 54.6	$ (3.5)	$ 80.4	$ 100.9	$ 46.5

Detail of 2001 IBIT

	2nd Quarter	YTD through June 30
Trading		
Crude & Products	$ (91.2)	$ (41.7)
Coal	(12.7)	(11.5)
Weather	8.9	17.6
Financial	17.2	30.5
Other	1.5	(3.6)
Total Trading	(76.3)	(8.7)
Originations	173.3 (a)	207.2
Assets & Investments	(2.8)	(3.6)
Expenses	(60.1)	(114.5)
IBIT	$ 34.1	$ 80.4

(a) Significant originations:

MTBE transaction	124.0
Cline put restructure	20.0
Mitsui	6.8

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EXH012-00302

Wholesale Services
2nd Quarter 2001
$ in millions

Industrial Markets

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	2001 Act	1st CE	2000 Act
IBIT	$ 13.3	$ 10.7	$ -	$ 22.2	$ 19.6	$ -

Detail of 2001 IBIT

	2nd Quarter 2001 Act	YTD 2001 Act
Trading		
Pulp & Paper	$ (2.0)	$ 12.1
Lumber	(5.1)	(5.2)
Steel	2.2	2.2
Europe	(0.2)	2.1
Total Trading	(5.1)	11.2
Originations	38.7 (a)	44.9
Assets & Investments		
Garden State Paper	14.8	14.8
Stadacona	9.5	9.5
Other	(0.1)	15.5
Total Assets & Investments	24.2	39.8
Expenses	(44.5)	(73.7)
IBIT	$ 13.3	$ 22.2

(a) Significant originations:

Sundance share sale	20.0
Huntco call option	10.9
Huntco investment mgmt.	7.5

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EXH012-00303

Wholesale Services
2nd Quarter 2001
$ in millions

Global Assets

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	2001 Act	1st CE	2000 Act
IBIT	$ 41.7	$ 41.7	$ 54.3	$ 89.6	$ 89.6	$ 121.8

Detail of 2001 IBIT

	2nd Quarter	YTD
Assets & Investments		
Elektro (elec. dist.-Brazil)	$ 12.1	$ 43.9
TGS (gas p/l-Argentina)	9.5	20.1
Promigas (gas p/l-Columbia)	6.1	9.2
DPC (power plant-India)	11.1	25.0
Chengdu (power plant-China)	6.9	13.4
BLM (power plant-Panama)	5.8	9.2
BPC (power plant-Philippines)	5.3	10.4
Other	10.3	1.7
Total Assets & Investments	67.1	132.9
Expenses	(25.4)	(43.3)
IBIT	$ 41.7	$ 89.6

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EXH012-00304

Retail Services
2nd Quarter 2001
$ in millions

EES

	2nd Quarter			YTD through June 30		
	2001 Act	1st CE	2000 Act	1st CE	2001 Act	2000 Act
Gross Revenues						
Gas and Power Sales	$ 70.0		$ 113.8	$ 319.2		$ 175.7
Power MTM/Originations	156.6		100.6	295.9		135.7
Facilities Services	187.2		137.1	363.4		270.3
Outsource & Other	27.5		4.0	39.3		8.5
International	116.1		65.3	232.2		144.2
Total Revenues	557.4	770.0	420.8	1,250.0	1,462.5	734.4
Cost of Sales						
Gas and Power Sales	69.3		113.0	319.8		174.3
Facilities Services	162.6		121.3	316.1		235.3
Outsource & Other	25.3		9.9	38.5		11.7
International	71.0		51.0	148.6		108.2
Total Cost of Sales	328.2	569.8	295.2	823.0	1,064.5	529.5
Gross Margin						
Gas and Power Sales	0.7		0.8	(0.6)		1.4
Power MTM/Originations	156.6		100.6	295.9		135.7
Facilities Services	24.6		15.8	47.3		35.0
Outsource & Other	2.2		(5.9)	0.8		(3.2)
International	45.1		14.3	83.6		36.0
Total Gross Margin	229.2	200.2	125.6	427.0	398.0	204.9
Operating Expenses	(178.7) (a)	(157.2)	(90.6)	(351.3)	(329.8)	(185.9)
New Power Co.						
Monetizations	20.0	20.0	25.0	50.0	50.0	45.0
Equity Losses	(13.3)	(14.0)	(18.9)	(28.2)	(28.9)	(17.0)
Other Income	2.6	-	4.6	1.9	(0.7)	4.7
IBIT	$ 59.8	$ 49.0	$ 45.7	$ 99.4	$ 88.6	$ 51.7

(a) Operating expenses increased versus 2000 2Q primarily due to the following: Europe $9MM, IBM/IT services $13MM, bonus $10MM, commissions $10MM, salary and severance costs $35MM

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Broadband Services
2nd Quarter 2001
$ in millions

EBS

	2nd Quarter			YTD through June 30		
	1st CE	2001 Act	2000 Act	1st CE	2001 Act	2000 Act
Gross Revenues						
Dark Fiber and Software Sales		$ 2.2	$ 152.4		$ 2.7	$ 199.9
Content Services		0.1	0.2		58.7	0.4
Contract Originations		-	2.1		3.8	2.1
Merchant Investments		(0.6)	(4.2)		(6.2)	7.2
Trading		9.2	-		29.3	-
Other		4.9	-		10.6	-
Total Revenues	**165.6**	**15.8**	**150.5**	**248.7**	**98.9**	**209.6**
Cost of Sales						
Dark Fiber and Software Sales		4.6	70.4		4.7	78.2
Content Services		1.6	3.8		1.6	3.8
Trading		13.4	-		40.0	
Other		2.4	0.4		4.6	0.4
Total Cost of Sales	**91.9**	**22.0**	**74.6**	**120.8**	**50.9**	**82.4**
Gross Margin						
Dark Fiber and Software Sales		(2.4)	82.0		(2.0)	121.7
Content Services		(1.5)	(3.6)		57.1	(3.4)
Contract Originations		-	2.1		3.8	2.1
Merchant Investments		(0.6)	(4.2)		(6.2)	7.2
Trading		(4.2)	-		(10.7)	-
Other		2.5	(0.4)		6.0	(0.4)
Total Gross Margin	**73.7**	**(6.2)**	**75.9**	**127.9**	**48.0**	**127.2**
Operating Expenses	(88.7)	(93.7)	(85.2)	(180.4)	(185.4)	(137.1)
Other Income	-	(2.1)	1.3	2.5	0.4	1.6
IBIT	**$ (15.0)**	**$ (102.0)**	**$ (8.0)**	**$ (50.0)**	**$ (137.0)**	**$ (8.3)**

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EXH012-00306

Corporate St nctions
Corporate Staff Costs Retained
June YTD 2001
(In thousands of dollars)

	Total Year			June YTD 2001			
	Plan	**Change**	**1st CE**	**Plan**	**Actuals**	**Variance**	
Executive	17,132	1,100	18,232	8,752	14,630	(5,878)	(1
Legal	9,781	-	9,781	4,892	6,500	(1,608)	
Risk Assessment & Control	1,392	-	1,392	697	(1,488)	2,185	
Accounting & Tax	30,307	-	30,307	15,156	15,985	(829)	
SAP ISC	9,264	-	9,264	4,632	5,491	(859)	
Strategic Sourcing	6,844	-	6,844	3,424	3,913	(489)	
Investor Relations	3,036	-	3,036	1,518	1,810	(292)	
Corporate Development	3,485	-	3,485	1,743	2,134	(392)	
Human Resources	3,862	-	3,862	2,864	6,666	(3,802)	(2
Community Relations	7,232	-	7,232	3,617	3,743	(126)	
Benefits	119,226	9,000	128,226	59,613	44,270	15,343	(3
Analyst & Associates	-	-	-	-	2,602	(2,602)	(4
Public Affairs	38,515	-	38,515	19,258	16,769	2,489	(5
Administrative Services	2,236	-	2,236	1,118	(127)	1,245	
Risk Management	2,433	-	2,433	1,217	701	515	
Xcelerator	-	1,500	1,500	-	2,626	(2,626)	
Amortization & depreciation	78,218	-	78,218	39,109	34,829	4,280	(6
EBS transfers	-	13,000	13,000	-	12,205	(12,205)	
Other	32,966	13,000 *	45,966	15,170	15,593	(423)	
Costs Retained at Corporate	**365,929**	**37,600**	**403,529**	**182,779**	**188,853**	**(6,074)**	

* Primarliy relates to special payments to former employees and Azurix costs.

1) Variance is due to corporate aviation usage and special payments.

2) Primarily timing of Click@Home program, expenses were planned evenly over the year. Most of the costs were incurred in Feb - June.

3) Variance is primarily due to decrease in value of investments for calculating liability related to deferred compensation plan.

4) Due to fewer participants in the program, all of the program overhead costs have not been billed out.

5) Variance is primarily timing of payments for advertising.

6) Plan amortization was assume to be equal over the year. Variance is caused by timing of new projects.

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Enron Corp
2001 Cash Flow Estimate

	June YTD Estimate *	July thru Dec. Estimate	Full Year
Funds Flow from Operations	1,520.5	1,479.5	3,000.0
Changes in Working Capital	(2,452.1)	1,052.1	(1,400.0)
Cash Flow from Operations	**(931.6)**	**2,531.6**	**1,600.0**
Proceeds from Sale of Assets	1,473.5	398.9	1,872.4
Capital Exp & Equity Investments	(2,860.8)	(917.3)	(3,778.2)
	(1,387.4)	**(518.4)**	**(1,905.8)**
Cash Flow	**(2,319.0)**	**2,013.2**	**(305.8)**
Cash Flow from Financing			
Increase/(Dec) in Debt	2,329.4	(1,731.0)	598.4
Dividends Paid	(285.6)	(285.1)	(570.7)
Other Financing	(56.6)	2.9	(53.7)
	1,987.2	**(2,013.2)**	**(26.0)**
Increase/(Decrease) in Cash Balances	**(331.8)**	**-**	**(331.8)**
Balance Sheet Debt			
Opening Balance	10,229.5	12,702.1	10,229.5
Increase from Cash Flow	2,329.4	(1,731.0)	598.4
Other Changes	143.3	-	143.3
Ending Balance	12,702.1	10,971.1	10,971.1

* Jan-May actual June estimate.

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EXH012-00308

Enron Corp
Funds Flow from Operations
2001 Year-to-Date

	1st Quarter Actual	2nd Quarter Estimate	June Year-to-Date	
Transportation & Distribution				
Enron Transportation Services	83.8	63.7	147.5	
Portland General Group	6.6	127.2	133.7	
	90.4	**190.9**	**281.2**	
Wholesale				
Enron North America	615.2	920.4	1,535.6	(1)
Enron Europe	192.4	(73.2)	119.2	
Enron Global Markets	(153.7)	(81.4)	(235.1)	(2)
Enron Global Assets	93.3	(139.8)	(46.5)	(3)
Global Explor & Prod	28.6	(34.8)	(6.2)	
EEOS	1.9	(20.6)	(18.7)	
Enron Net Works	(105.5)	102.6	(2.9)	
Enron Global Finance	12.7	(129.1)	(116.4)	
Enron Industrial Markets	(142.5)	(24.4)	(166.9)	
Wholesale - Other	(457.9)	729.6	271.7	(4)
Wholesale - EES	(89.6)	(42.8)	(132.4)	
Wholesale - Elims	(18.4)	46.0	27.6	
El Headquarters	7.0	1.5	8.6	
	(16.3)	**1,253.9**	**1,237.6**	
Enron Broadband	(19.0)	29.1	10.1	
Enron Energy Services	11.0	(22.9)	(11.9)	
Enron Renewable Energy	0.8	0.3	1.0	
Corporate & Other	69.0	(66.6)	2.5	
Total	**135.9**	**1,384.6**	**1,520.5**	

(1) Includes gain on Peakers ~$600 million, Prepays of $220 million 1Q and $250 million 2Q, and Sithe Transaction $600 million.
(2) Includes purchase of Crude & Products Options ($150) million and Weather Derivatives of ($40) million
(3) 2Q includes ($116) million reclass of Hainan
(4) 1Q activity relates to growth in PRM Asset, 2Q reflects cash in-flow from Credit Link Note of $850 million

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EXH012-00309

Enron Corp
Change in Working Capital
2001 Year-to-Date

	1st Quarter Actual	2nd Quarter Estimate	June Year-to-Date	
Transportation & Distribution				
Enron Transportation Services	(54.6)	75.6	21.0	
Portland General Group	(42.4)	(30.2)	(72.6)	
	(97.0)	**45.4**	**(51.6)**	
Wholesale				
Enron North America	(421.9)	(1,801.2)	(2,223.1)	(1)
Enron Europe	263.9	(212.6)	51.3	(2)
Enron Global Markets	44.3	(10.4)	34.0	(3)
Enron Global Assets	(17.8)	(28.9)	(46.8)	
Global Explor & Prod	5.6	4.7	10.3	
EEOS	(17.0)	177.6	160.6	(4)
Enron Net Works	(57.2)	18.1	(39.1)	
Enron Global Finance	25.7	1.8	27.5	
Enron Industrial Markets	4.9	50.9	55.8	
Wholesale - Other	(6.8)	4.1	(2.6)	
Wholesale - EES	21.7	105.5	127.2	
Wholesale - Elims	18.8	(26.0)	(7.2)	
El Headquarters	(1.5)	(2.1)	(3.6)	
	(137.2)	**(1,718.5)**	**(1,855.7)**	
Enron Broadband	(56.3)	(30.7)	(87.0)	
Enron Energy Services	(65.7)	22.7	(43.0)	
Enron Renewable Energy	(81.7)	(31.1)	(112.8)	(5)
Corporate & Other	(161.4)	(140.6)	(302.1)	
Total	**(599.3)**	**(1,852.8)**	**(2,452.1)**	

(1) Reflects net cash out-flow related to OTC/NYMEX margins & deposits ($2,300) million
(2) 1Q reflects sale of Metals inventory $300 million, 2Q reflects build-up of inventory ($144) million
(3) Includes increases in inventories ($174) million
(4) Reduction in AR at NEPCO
(5) Increase in inventories and other receivables related to projects of ($116) million

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EXH012-00310

Enron Corp
Cash Flow from Investing Activities
2001 Year-to-Date

	Capital Expenditures	Equity Investments	Other Investing	June Year-to-Date	2001 Plan June Y-T-D	
Transportation & Distribution						
Enron Transportation Services	(90.1)	-	6.2	(83.9)	(76.3)	
Portland General Group	(103.0)	-	7.6	(95.4)	-	(1)
	(193.1)	-	13.8	(179.3)	(76.3)	
Wholesale						
Enron North America	(248.6)	(7.5)	(1,186.7)	(1,442.8)	(267.7)	(2)
Enron Europe	(166.3)	-	0.9	(165.4)	(81.0)	(3)
Enron Global Markets	(7.6)	-	(66.8)	(74.4)	(39.0)	
Enron Global Assets	(37.4)	(57.6)	(12.0)	(107.0)	(130.3)	
Global Explor & Prod	(2.8)	-	(3.8)	(6.6)	(1.6)	
EEOS	(1.5)	-	-	(1.5)	(2.7)	
Enron Net Works	(63.5)	-	-	(63.5)	(65.8)	
Enron Global Finance	-	-	1.8	1.8	-	
Enron Industrial Markets	(1.0)	(360.0)	127.5	(233.4)	(446.0)	(4)
Wholesale - Other	-	-	-	-	-	
Wholesale - EES	-	-	-	-	-	
Wholesale - Elims	-	-	-	-	-	
El Headquarters	-	(3.1)	-	(3.1)	-	
	(528.8)	(428.1)	(1,138.9)	(2,095.8)	(1,034.0)	
Enron Broadband	(111.1)	(15.0)	-	(126.1)	(398.0)	(5)
Enron Energy Services	(28.5)	-	(6.1)	(34.5)	(53.2)	
Enron Renewable Energy	(10.1)	(0.0)	(0.1)	(10.2)	(23.9)	
Corporate & Other	(55.4)	(325.6)	(33.9)	(414.9)	(1,136.7)	(6)
Total	(926.9)	(768.8)	(1,165.2)	(2,860.8)	(2,722.1)	

(1) Plan anticipated sale in Q1 2001
(2) Includes investing activities related to Sithe of ($955) mm, Merlin ($71) mm
(3) Includes CATS settlement in April of ($142) million
(4) $200 mm payment to Sundance for unwind of Fishtail
(5) Planned reduction in Cap Ex
(6) Includes additional purchase of Azurix shares, Plan assumed repurchase of Rawhide.

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EXH012-00311

Enron Corp
Total Capital Deployed
2001 May Year-to-Date

	As of May 31, 2001			As of Dec 31, 2000	
	May 2001 Capital Deployed	Off Balance Sheet Assets**	Total Cap Deployed Incl. Off B/S	Total Cap Deployed Incl. Off B/S	
Transportation & Distribution					
Enron Transportation Sevices	2,723.3	-	2,723.3	2,697.0	
Portland General Group	3,307.1	-	3,307.1	3,180.6	
	6,030.4	-	**6,030.4**	**5,877.6**	
Wholesale					
Americas	4,168.2	19.0	4,187.2	2,812.0	(1)
Enron Global Markets	648.4	-	648.4	714.0	
Enron Europe	1,447.1	361.0	1,808.1	1,655.5	
Middle East (Europe)	57.1		57.1	49.6	
Global Exploration & Production	419.3		419.3	449.0	
Enron Global Finance	2,301.0		2,301.0	1,428.5	(2)
Enron Industrial Markets	545.5		545.5	(54.0)	
EEOS	98.2		98.2	158.0	
Enron Global Assets	6,890.4	91.0	6,981.4	6,933.1	
Enron Net Works	196.0		196.0	(7.0)	
Wholesale - Other	-		-	-	
Wholesale - EES	675.1		675.1	-	(3)
Eliminations & Other	6.3		6.3	6.3	
	17,452.6	**471.0**	**17,923.6**	**14,145.1**	
Enron Energy Services	713.5	102.0	815.5	1,732.0	
Enron Broadband Services	1,002.1	92.0	1,094.1	938.0	
Enron Renewable Energy Corp	657.8		657.8	544.0	
Corporate & Other*	2,574.6	1,450.0	4,024.6	4,919.4	
Total	**28,431.0**	**2,115.0**	**30,546.0**	**28,156.0**	

* Corporate & Other includes Azurix, HPL Fair Value and Clean Fuels.

** Off balance sheet capital includes contingent equity, FAS 125/140, corporate guarantees, and residual value guarantees as of 12/31/00.

(1) Impact of margin activity.

(2) Includes N/R from sale of JEDI shares previously owned by Enron.

(3) Included in EES-Retail.

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EXH012-00312

ENRON
2001 OPERATING & STRATEGIC PLAN
ENRON AMERICAS
SUPPLEMENTAL INFORMATION
(Millions of Dollars)

	1st Qtr		Year	
Schedule C Reserves - 3/1/01	$ 1,300.0		$ 1,300.0	
EES Related:				
California Credit	(455.0)	(A)	(455.0)	
Tariff Adjustment	(320.0)		(320.0)	
Potential Adjustments	-		(400.0)	
Volatility	(288.0)		-	(B)
Specific Transactions	(150.0)		(150.0)	
Raptor Credit	(37.0)		(37.0)	
California Investigation	(50.0)		(50.0)	
Gain on Sale of Peakers	-		400.0	
HPL	-		(100.0)	
Reserves Remaining	**$ -**		**$ 188.0**	
ENA Q1 overperformance			577.0	
Total ENA overperformance needed to hit $1.75 EPS			(946.0)	(C)
Amount currently short			$ (181.0)	

Current Status: Assumes ENA will hit original Q2, Q3 & Q4 plan (IBIT $692.4 million)

(A) Assumes 20% recovery on ~$570 million of negative CTC and other receivables

(B) Assumes any amount funded with "new money"

(C) New Current Estimate for the year to be completed by end of April

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ENRON
EARNINGS RELEASE - EXTERNAL FORMAT
(Millions of Dollars, except as noted)

	First Quarter					
	2001				2000	Q1 vs 00
	Plan	Update	Stock Option Adjustment	Forecast	Actual	Growth
Transmission & Distribution						
Enron Transportation Services	$ 130.0	$ -	1.8	$ 131.8	$ 127.9	
Portland General	100.0	(40.0)	-	60.0	105.3	
Total Transmission & Distribution	230.0	(40.0)	1.8	191.8	233.2	-18%
Wholesale Energy Operations & Services						
Americas	265.5	566.7	5.1	837.3	137.5	
Europe	80.5	4.5	1.9	86.9	67.7	
Global Markets	45.0	0.1	1.1	46.2	50.0	
Industrial Markets	8.5	(0.2)	0.5	8.8	-	
Net Works	(4.4)	-	0.8	(3.6)	(14.2)	
Global Assets	88.1	(43.2)	3.0	47.9	67.5	
Retail Risk Management	-	(231.0)	-	(231.0)		
Other Wholesale	(0.8)	(30.5)	-	(31.3)	-	
Subtotal	482.3	266.4	12.4	761.2	308.5	
Global Finance	49.5	(37.5)	0.5	12.5	104.4	
Global E&P	4.7	10.8	0.4	15.9	4.1	
Prepays	(35.1)	20.1	-	(15.0)	(22.9)	
Other	105.5	(114.7)	1.2	(8.0)	29.8	
Total Wholesale Energy Ops. & Services	606.9	145.1	14.5	766.5	423.9	81%
Enron Energy Services	48.5	(8.9)	3.9	43.5	11.3	285%
Enron Broadband Services	(35.0)	-	-	(35.0)	(0.3)	
Corporate and Other						
Azurix	(17.1)	(14.4)	-	(31.5)	(6.0)	
Enron Renewable Energy Corp	(10.0)	(7.0)	0.2	(16.8)	11.9	
Clean Fuels	(16.3)	(1.0)	0.2	(17.1)	(3.3)	
Enron Investment Partners	(0.1)	(1.3)	-	(1.4)	(0.4)	
Corporate & Other Expenses	(61.6)	(17.5)	(20.6)	(99.7)	(35.7)	
Structured Transactions	4.0	0.4	-	4.4	6.8	
Reclass from/to Wholesale	-	-	-	-	(17.4)	
Total Corporate & Other	(101.1)	(40.8)	(20.2)	(162.1)	(44.1)	
Overview	22.4	(22.4)	-	-	-	
INCOME BEFORE INT., M.I. & INC. TAXES	771.7	33.0	-	804.7	612.7	31%
Interest Expense, Net	203.2	5.2	-	208.4	161.1	29%
Dividends on Preferred Stock of Subsidiaries	18.4	-	-	18.4	18.1	
Minority Interest	23.8	13.4	-	37.2	34.9	
PRE-TAX INCOME	526.3	14.4	-	540.7	398.6	36%
Income Tax Expense	126.3	3.5	-	129.8	72.2	
NET INCOME - RECURRING	$ 400.0	$ 10.9	$ -	$ 410.9	$ 326.4	26%
DILUTED EPS						
Recurring	$ 0.45	$ 0.02	$ -	$ 0.47	$ 0.38	24%
Non-recurring	-	-	-	-	-	
TOTAL DILUTED EPS	$ 0.45	$ 0.02	$ -	$ 0.47	$ 0.38	
Avg shares outstanding - Diluted	885.0			871.1	851.9	
Effective Tax Rate - Recurring Earnings	24.0%			24.0%	18.1%	

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EXH012-00314

ENRON

1st Quarter 2001 Reconciliation of ENA Coverage

(Millions of Dollars, except as noted)

Retail Risk Management	$	231.0
Delay in LDC Sales		115.0
PGE Below Plan		40.0
Global Assets Below Plan		43.2
Global Finance Below Plan		37.5
EES Below Plan		9.8
EBS Costs		17.3
Azurix, EREC, Clean Fuels below plan		22.4
EPS increase of $.02		22.0
Financing Costs and Other		28.5
Total	$	566.7

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