

ENRON CORP.

Table 1 - Earnings Summary

(Unaudited: in millions, except per share data)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2001	2000	2001	2000
Revenues				
Transportation and Distribution:				
Transportation Services	\$ 150	\$ 166	\$ 396	\$ 372
Portland General	831	431	1,598	828
Wholesale Services	48,478	15,967	96,984	28,296
Retail Energy Services (a)	557	420	1,250	734
Broadband Services	16	151	99	210
Corporate and Other (including intercompany eliminations)	28	(249)	(138)	(409)
Total Revenues	\$ 50,060	\$ 16,886	\$ 100,189	\$ 30,031
After tax results				
Net income excluding nonrecurring items	\$ 404	\$ 289	\$ 810	\$ 627
Non-recurring item:				
Cumulative effect of accounting changes	-	-	19	-
Net income	\$ 404	\$ 289	\$ 829	\$ 627
Earnings per share (diluted) (b)				
EPS (diluted) excluding nonrecurring items	\$ 0.45	\$ 0.34	\$ 0.92	\$ 0.73
Non-recurring item:				
Cumulative effect of accounting changes	-	-	0.02	-
EPS (diluted)	\$ 0.45	\$ 0.34	\$ 0.94	\$ 0.73
Average shares outstanding (diluted) (b)	891.1	862.2	881.5	857.0

(a) See Table 3b, note b.

(b) The Second Preferred Stock and the Series B Preferred Stock are both dilutive in the first two quarters of 2000 and 2001. The average number of diluted shares outstanding reflect the impact of equity-related commitments that would be dilutive if funded at Enron's current share price. These commitments begin to settle in 2003.

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Table 2a - Results by Segment

(Unaudited: in millions, except per share amounts)

	<u>Recurring</u>	<u>Non- Recurring</u>	<u>Total</u>
IBIT:			
Transportation and Distribution:			
Transportation Services	\$ 77	\$ -	\$ 77
Portland General	65	-	65
Wholesale Services	802	-	802
Retail Energy Services	60	-	60
Broadband Services	(102)	-	(102)
Corporate and Other	(109)	-	(109)
IBIT	793	-	793
Interest and Related Charges, net	215	-	215
Dividends on Preferred Securities of Subsidiaries	18	-	18
Minority Interests	30	-	30
Income Tax Expense	126	-	126
Net Income	404	-	404
Preferred Dividends (a):			
Second Preferred Stock	4	-	4
Series B Preferred Stock	17	-	17
Earnings on Common Stock	\$ 383	\$ -	\$ 383
Average Number of Shares Used:			
Basic			<u>757.3</u>
Diluted (b)	<u>891.1</u>	<u>-</u>	<u>891.1</u>
Earnings per Common Share:			
Basic			<u>\$ 0.51</u>
Diluted	<u>\$ 0.45</u>	<u>\$ -</u>	<u>\$ 0.45</u>

- (a) The Second Preferred Stock and the Series B Preferred Stock are both dilutive in the second quarter of 2001.
- (b) The average number of diluted shares outstanding reflect the impact of equity-related commitments that would be dilutive if funded at Enron's current share price. These commitments begin to settle in 2003.

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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:			
Transportation Services	\$ 77	\$ -	\$ 77
Portland General	62	-	62
Wholesale Services	415	-	415
Retail Energy Services (a)	46	-	46
Broadband Services	(8)	-	(8)
Corporate and Other	17	-	17
	<u>609</u>	<u>-</u>	<u>609</u>
IBIT	609	-	609
Interest and Related Charges, net	196	-	196
Dividends on Preferred Securities of Subsidiaries	21	-	21
Minority Interests	39	-	39
Income Tax Expense	64	-	64
	<u>289</u>	<u>-</u>	<u>289</u>
Net Income	289	-	289
Preferred Dividends (b):			
Second Preferred Stock	4	-	4
Series B Preferred Stock	17	-	17
	<u>21</u>	<u>-</u>	<u>21</u>
Earnings on Common Stock	\$ 268	\$ -	\$ 268
Average Number of Shares Used:			
Basic			<u>733.4</u>
Diluted	<u>862.2</u>	<u>-</u>	<u>862.2</u>
Earnings per Common Share:			
Basic			<u>\$ 0.37</u>
Diluted	<u>\$ 0.34</u>	<u>\$ -</u>	<u>\$ 0.34</u>

(a) See Table 3b, note b.

(b) The Second Preferred Stock and the Series B Preferred Stock are both dilutive in the second quarter of 2000.

Six Months 2001

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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:			
Transportation Services	\$ 210	\$	\$ 210
Portland General	125		125
Wholesale Services	1,557		1,557
Retail Energy Services	100		100
Broadband Services	(137)		(137)
Corporate and Other	(267)		(267)
IBIT	1,588	-	1,588
Interest and Related Charges, net	416		416
Dividends on Preferred Securities of Subsidiaries	36		36
Minority Interests	70		70
Income Tax Expense	256		256
Net Income Before Cumulative Accounting Change	810	-	810
Cumulative Effect of Accounting Change, net of tax	-	19	19
Net Income	810	19	829
Preferred Dividends (a):			
Second Preferred Stock	8		8
Series B Preferred Stock	33		33
Earnings on Common Stock	\$ 769	\$ 19	\$ 788
Average Number of Shares Used:			
Basic			754.6
Diluted	881.5	881.5	881.5
Earnings per Common Share:			
Basic			\$ 1.04
Diluted	\$ 0.92	\$ 0.02	\$ 0.94

(a) The Second Preferred Stock and the Series B Preferred Stock are both dilutive in the first two quarters of 2001.

Six Months 2000

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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:			
Transportation Services	\$ 205	\$ -	\$ 205
Portland General	167	-	167
Wholesale Services	844	-	844
Retail Energy Services (a)	52	-	52
Broadband Services	(8)	-	(8)
Corporate and Other	(27)	-	(27)
IBIT	1,233	-	1,233
Interest and Related Charges, net	357	-	357
Dividends on Preferred Securities of Subsidiaries	39	-	39
Minority Interests	74	-	74
Income Tax Expense	136	-	136
Net Income	627	-	627
Preferred Dividends (b):			
Second Preferred Stock	8	-	8
Series B Preferred Stock	33	-	33
Earnings on Common Stock	\$ 586	\$ -	\$ 586
Average Number of Shares Used:			
Basic			<u>728.0</u>
Diluted	<u>857.0</u>	<u>-</u>	<u>857.0</u>
Earnings per Common Share:			
Basic			<u>\$ 0.80</u>
Diluted	<u>\$ 0.73</u>	<u>\$ -</u>	<u>\$ 0.73</u>

(a) See Table 3b, note b.

(b) The Second Preferred Stock and the Series B Preferred Stock are both dilutive in the first two quarters of 2000.

ENRON CORP.
Table 3a - Business Highlights
(Unaudited)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2001	2000	2001	2000
Transportation Services				
(In Millions)				
Net Revenues	\$ 121	\$ 148	\$ 364	\$ 349
Operating Expenses	54	76	161	141
Depreciation and Amortization	17	17	34	33
Equity in Earnings	16	10	30	17
Other, net	11	12	11	13
IBIT	\$ 77	\$ 77	\$ 210	\$ 205
Total Volumes Transported (BBtu/d) (a)				
Northern Natural Gas	2,908	3,237	3,327	3,691
Transwestern Pipeline	1,973	1,606	1,859	1,584
Florida Gas Transmission	1,574	1,591	1,404	1,571
Northern Border Pipeline	2,303	2,429	2,396	2,447
Portland General				
(In Millions)				
Revenues	\$ 831	\$ 431	\$ 1,598	\$ 828
Purchased Power and Fuel	624	252	1,206	454
Operating Expenses	94	76	161	154
Depreciation and Amortization	55	46	106	92
Other Income, net	7	5	-	39
IBIT	\$ 65	\$ 62	\$ 125	\$ 167
Retail Customers (end of period, thousands)	728	726	728	726
Electricity Sales (Thousand MWh)				
Residential	1,548	1,480	3,719	3,841
Commercial	1,785	1,769	3,605	3,641
Industrial	1,139	1,235	2,339	2,404
Total Retail	4,472	4,484	9,663	9,886
Wholesale	3,035	4,909	5,774	9,190
Total Sales	7,507	9,393	15,437	19,076

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

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Table 3b - Business Highlights
(Unaudited)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2001	2000	2001	2000
Wholesale Services				
(In Millions)				
Commodity Sales and Services	\$ 762	\$ 420	\$ 1,547	\$ 676
Assets and Investments	134	55	193	275
Unallocated Expenses	(94)	(60)	(183)	(107)
IBIT	\$ 802	\$ 415	\$ 1,557	\$ 844

Commodity Sales and Services

Physical Volumes (BBtue/d)

Gas:

North America	24,585	22,438	25,913	21,523
Europe and Other	7,290	3,593	7,991	3,031
	<u>31,875</u>	<u>26,031</u>	<u>33,904</u>	<u>24,554</u>
Transportation Volumes	458	595	482	526
Total Gas Volumes	<u>32,333</u>	<u>26,626</u>	<u>34,386</u>	<u>25,080</u>
Crude Oil and Liquids	10,054	5,048	8,454	5,591
Electricity (a)	<u>31,337</u>	<u>15,056</u>	<u>28,595</u>	<u>13,613</u>
Total Physical Volumes (BBtue/d)	<u>73,724</u>	<u>46,730</u>	<u>71,435</u>	<u>44,284</u>

Electricity Volumes (Thousand MWh)

United States	212,464	124,089	408,527	226,992
Europe and Other	72,704	12,912	109,043	20,756
Total	<u>285,168</u>	<u>137,001</u>	<u>517,570</u>	<u>247,748</u>

Financial Settlements (Notional)(BBtue/d)	258,443	152,627	280,447	147,247
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Retail Energy Services

Revenues (in millions) (b)	\$ 557	\$ 420	\$ 1,250	\$ 734
IBIT (in millions) (b)	60	46	100	52
Total Contract Value (in billions)(c)	7.2	3.8	13.1	7.5

Broadband Services

Revenues (in millions)	\$ 16	\$ 151	\$ 99	\$ 210
IBIT (in millions)	(102)	(8)	(137)	(8)
Terabytes Delivered (d)	98,478	13,692	141,878	19,697

(a) Represents electricity volumes, converted to BBtue/d.

(b) Beginning in 2001, risk management activities associated with Enron's North American retail customers are managed by Wholesale Services. Prior to the restatement, Retail Energy Services' reported revenues and recurring IBIT were \$840 million and \$24 million, respectively, for the second quarter of 2000 and \$4,615 million and \$103 million, respectively, for the full year 2000. Restated full year 2000 revenues and recurring IBIT were \$1,766 million and \$111 million, respectively.

(c) Represents customers' estimated future expenditures related to new contracts.

(d) Unit of measurement for data delivered, equal to one trillion bytes.

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