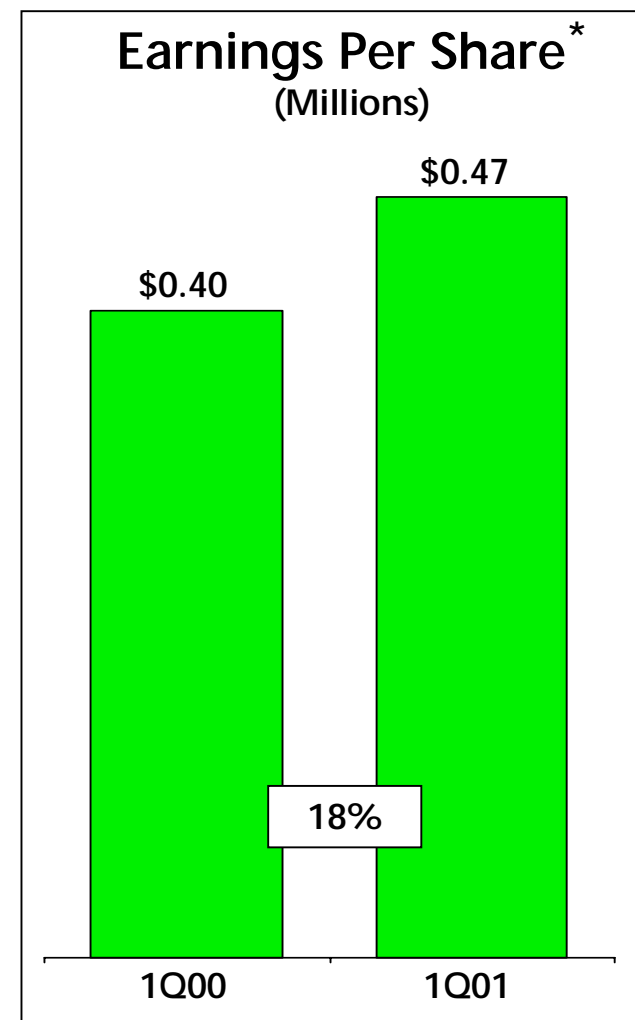
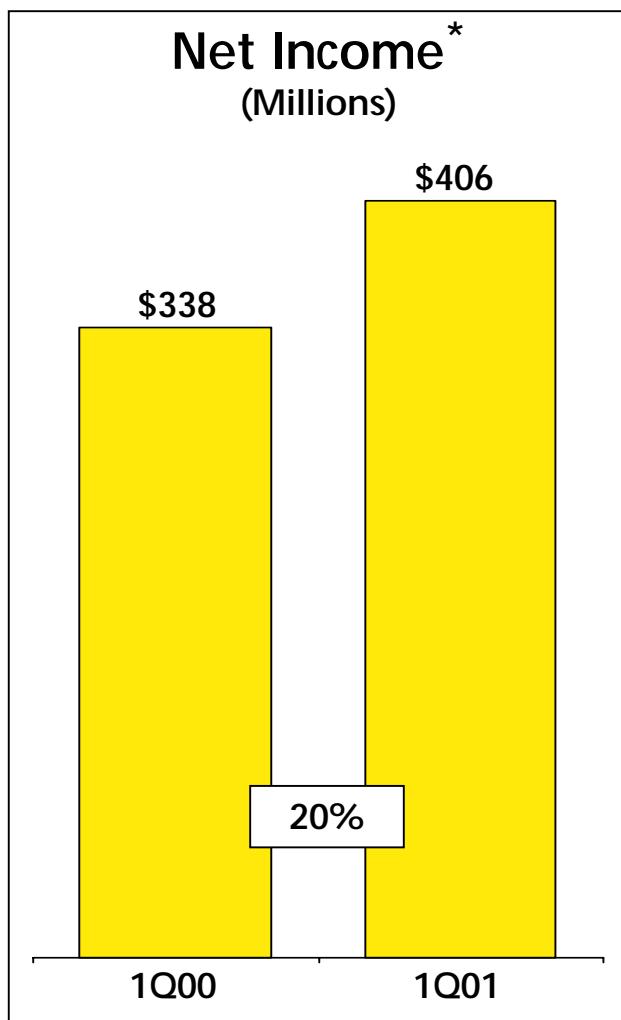
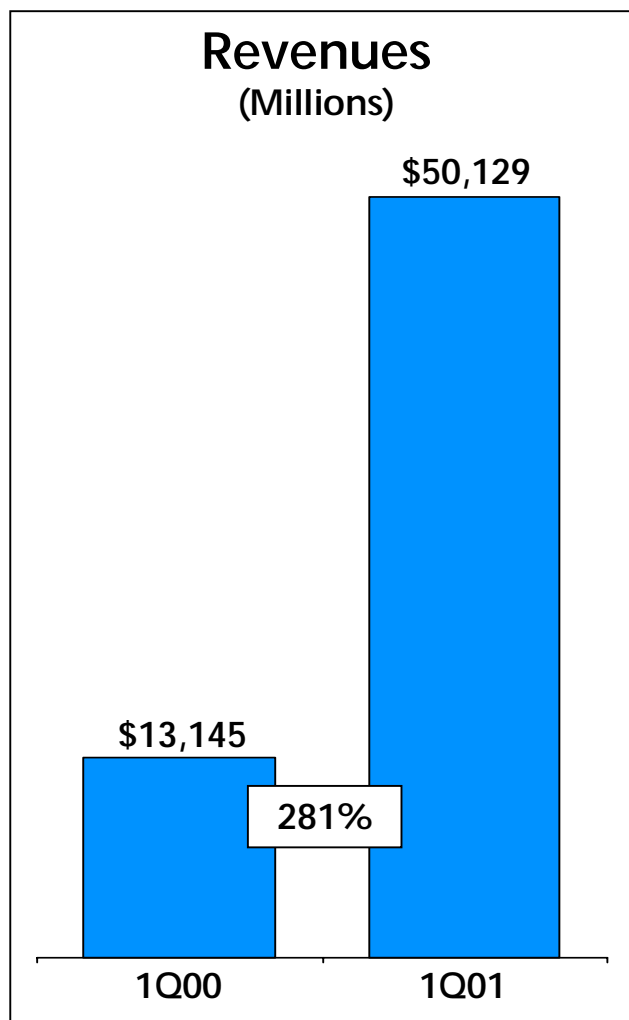


# Enron Corp. First Quarter Performance



\*Recurring

# Earnings Summary

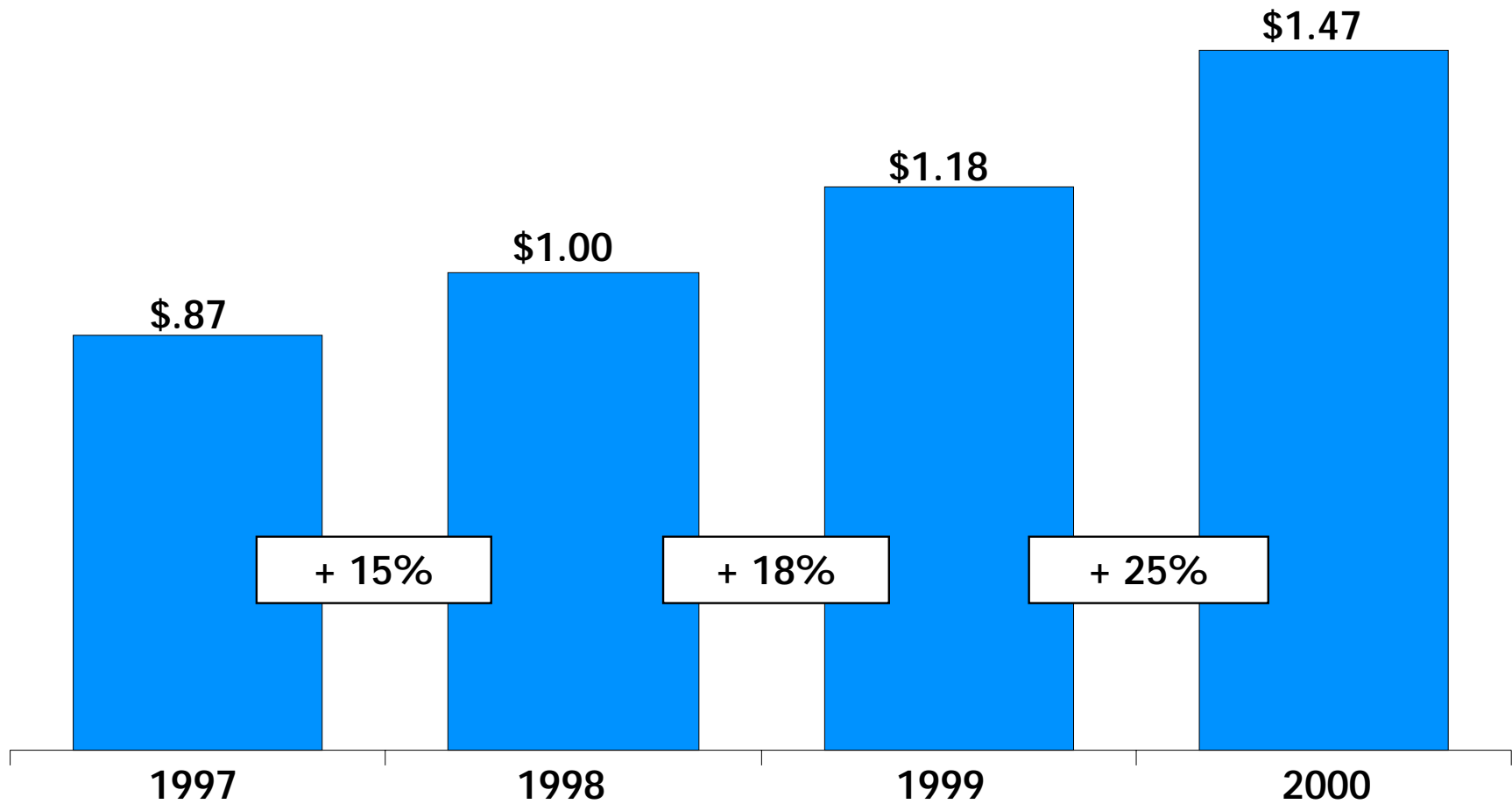
(Millions)

	<u>1Q00</u>	<u>1Q01</u>	<u>Change</u>	<u>%</u>
IBIT:				
Transportation & Distribution	\$233	\$193	(\$40)	(17)%
Wholesale Services	429*	755	326	76
Retail Energy	6*	40	34	NA
Broadband Services	--	(35)	(35)	NA
Corp. & Other	(44)	(158)	(114)	NA
Total IBIT	<u>624</u>	<u>795</u>	<u>171</u>	<u>27%</u>
Interest and Other	(214)	(259)		
Taxes	(72)	(130)		
<b>Recurring Net Income</b>	<b>\$338</b>	<b>\$406</b>	<b>\$68</b>	<b>20%</b>
Non-Recurring Items	<u>--</u>	<u>19</u>		
Net Income	<u>\$338</u>	<u>\$425</u>		

\*Restated

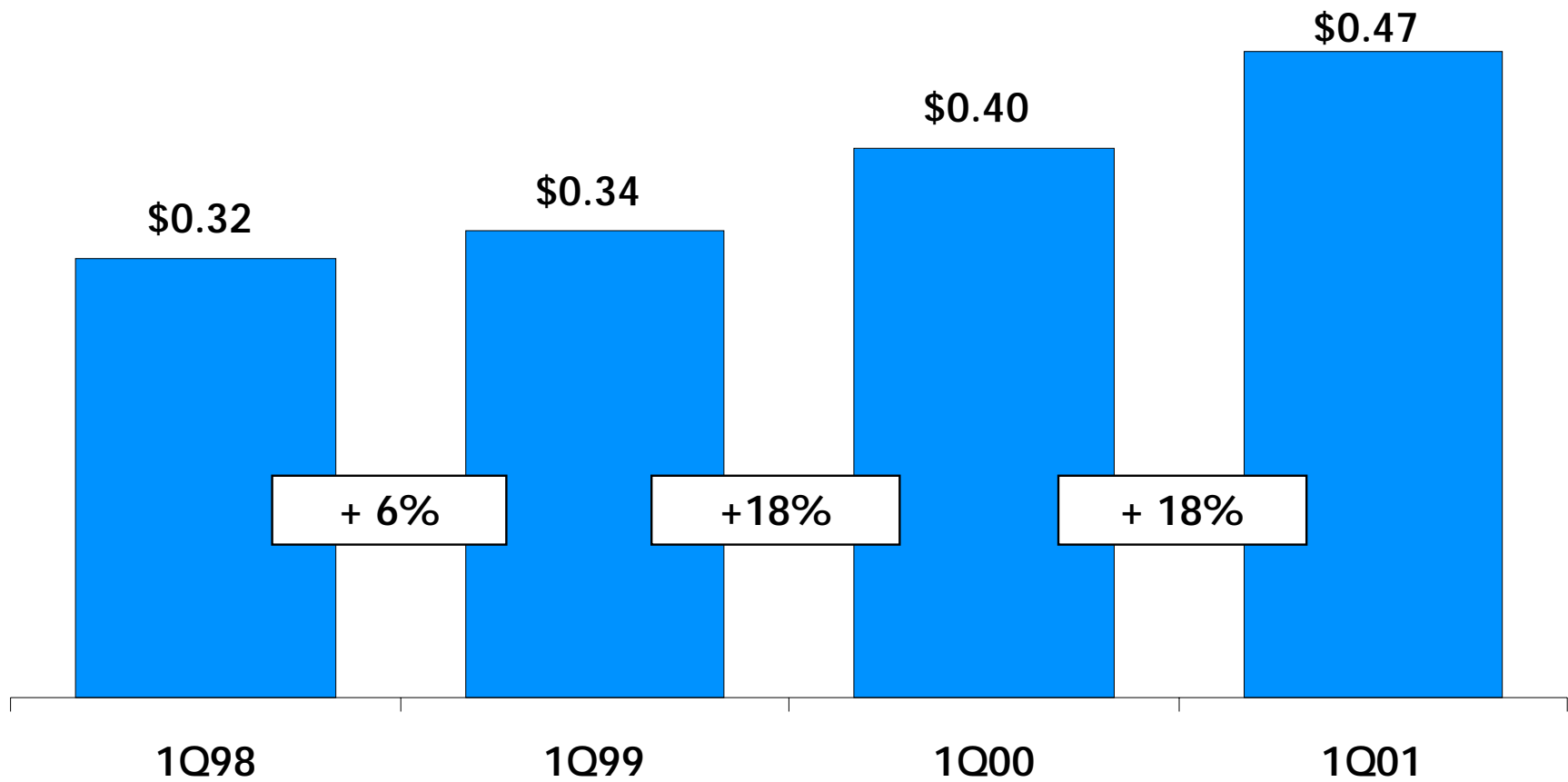
# Earnings Performance

(Recurring Per Diluted Share)



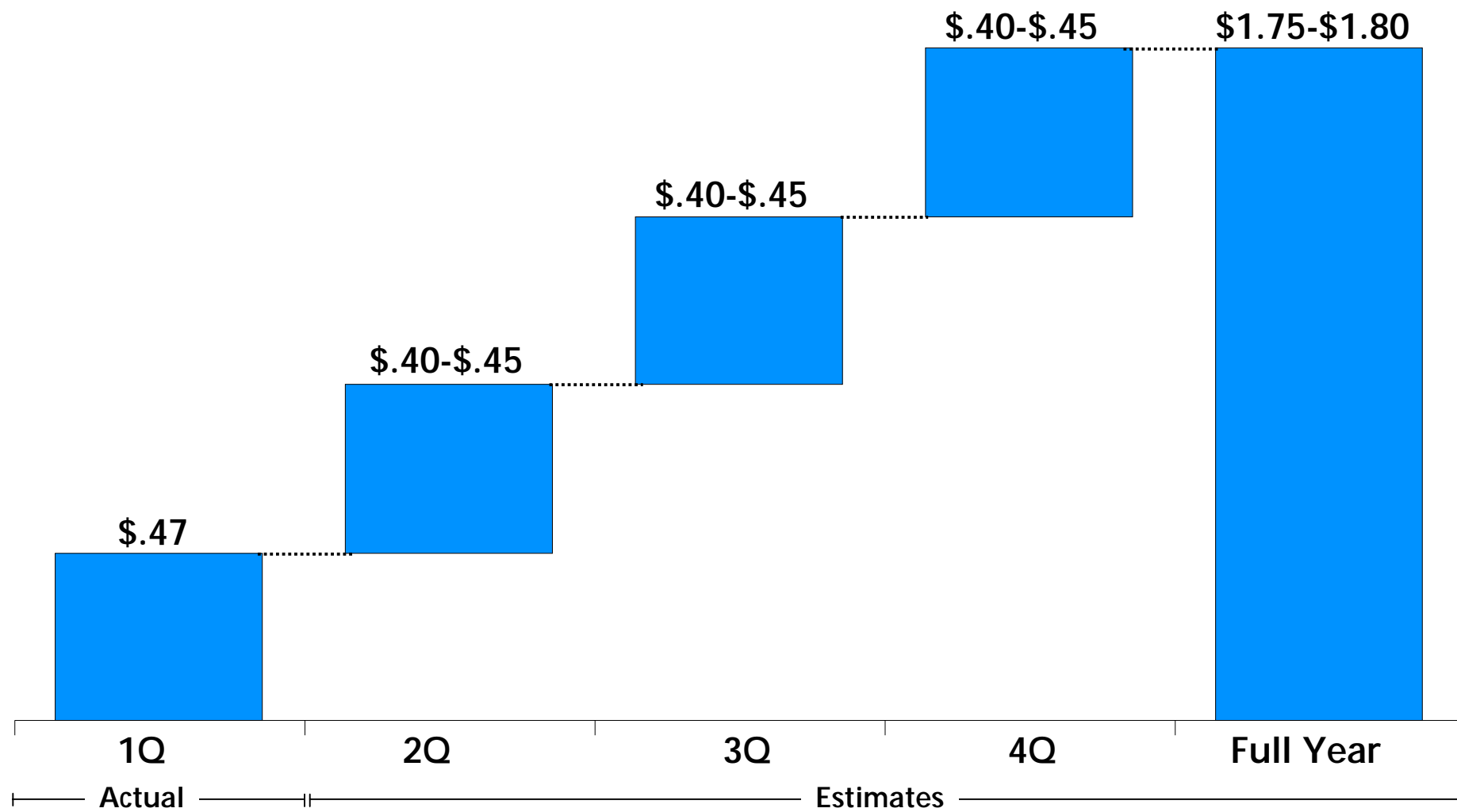
# Earnings Performance

(Recurring Per Diluted Share)



# 2001 Earnings Expectations

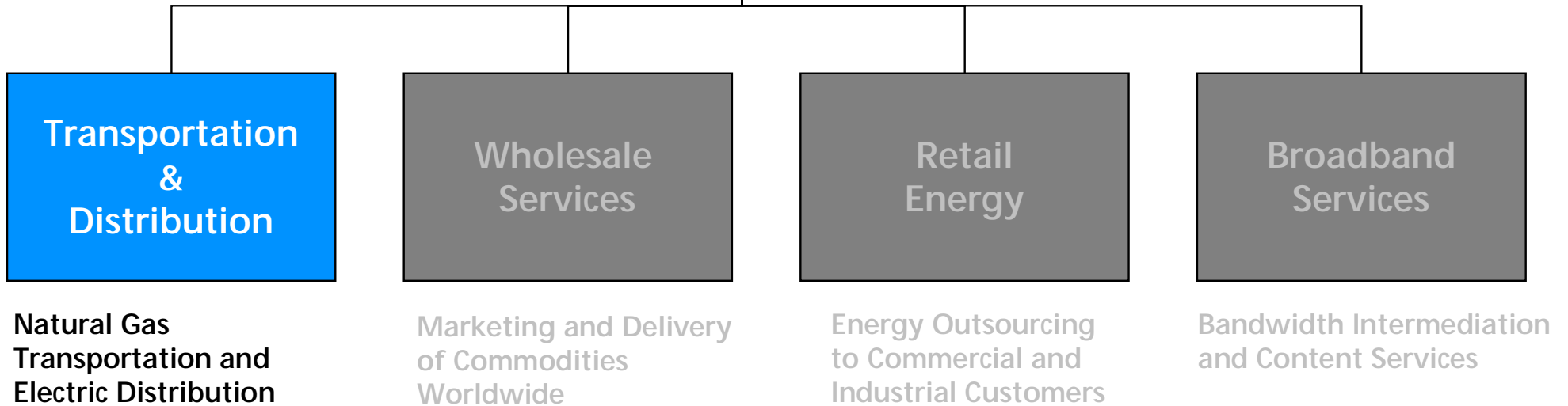
(Recurring Per Diluted Share)



# Strong Financial Position



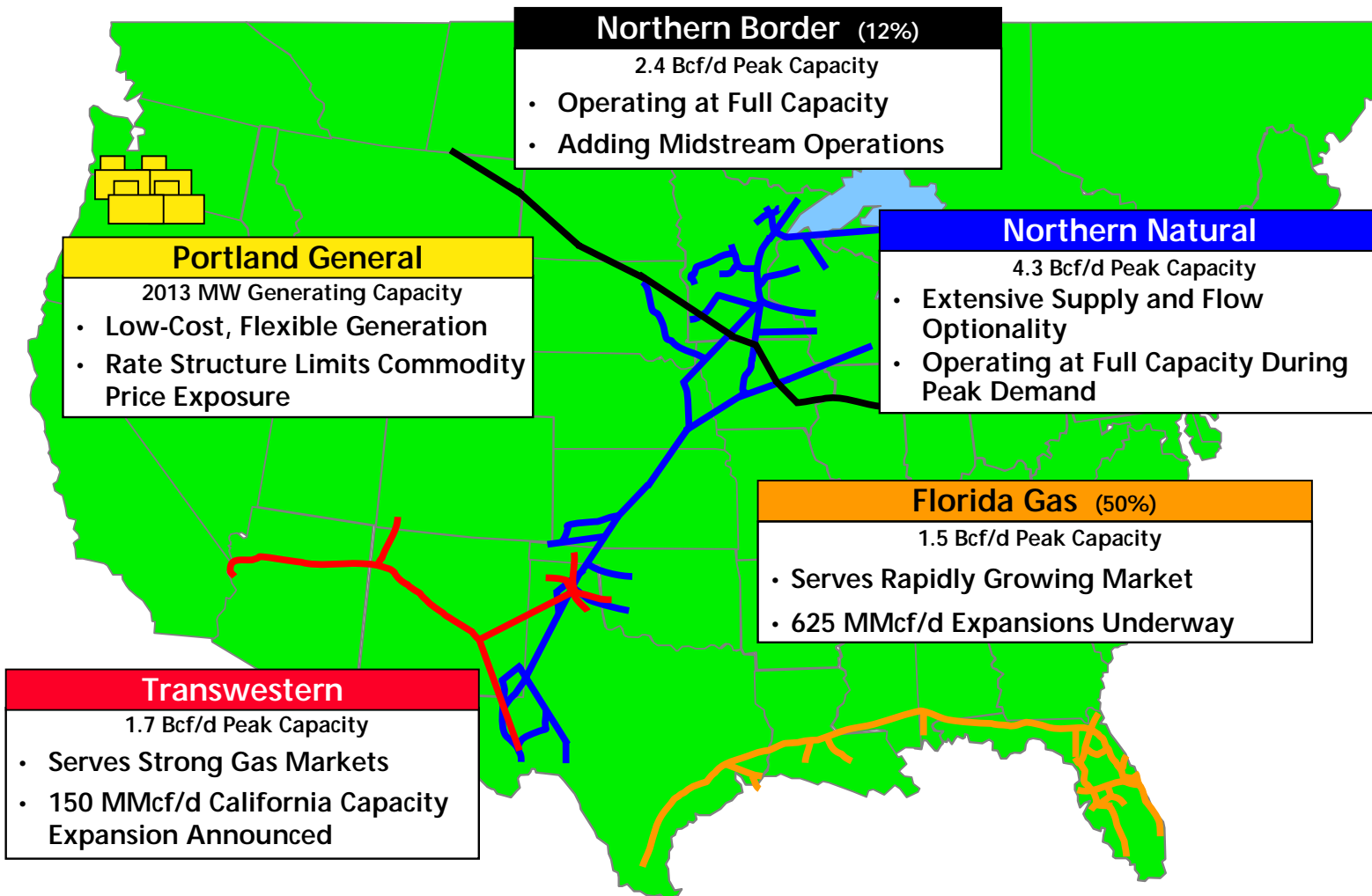
- Strong, Sustainable Cash Flow Growth
- Well-Positioned Balance Sheet
  - 41% Debt to Capital Ratio at Year-End 2000
- Significant Financial Flexibility
- Funding Plan Includes No Public Equity Issuance

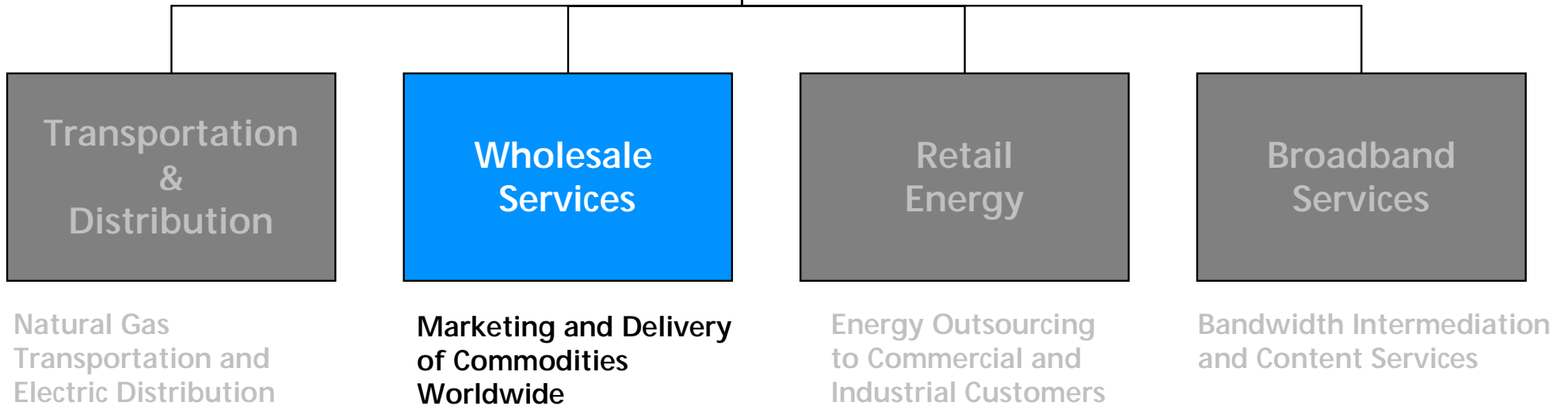




# Transportation and Distribution

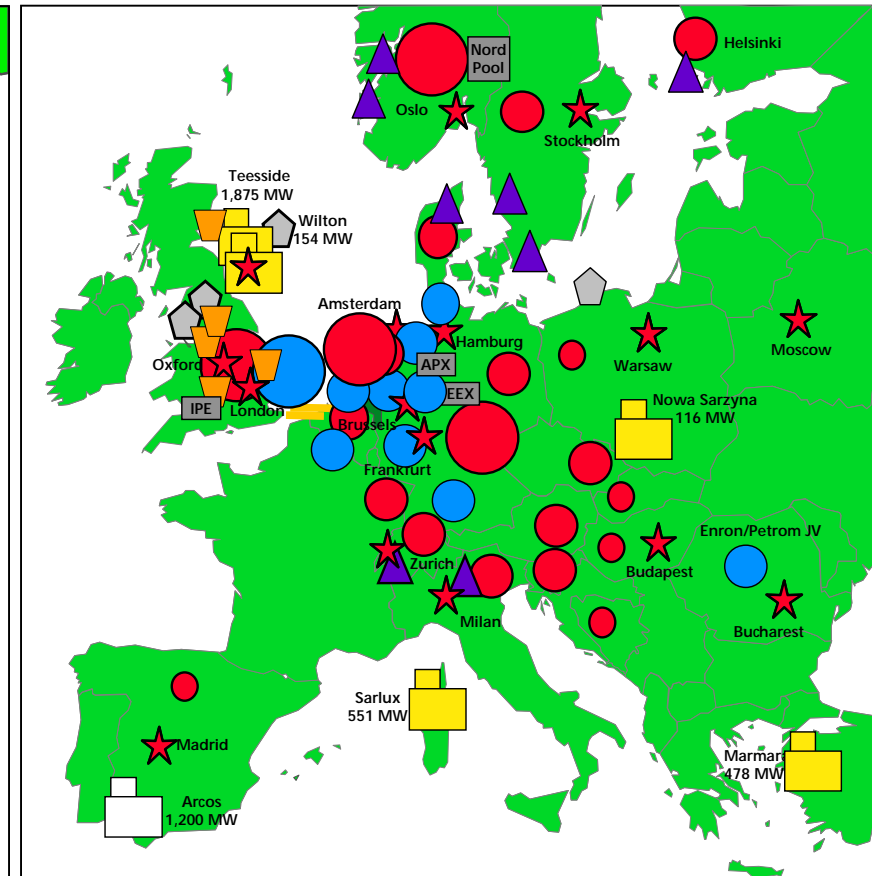
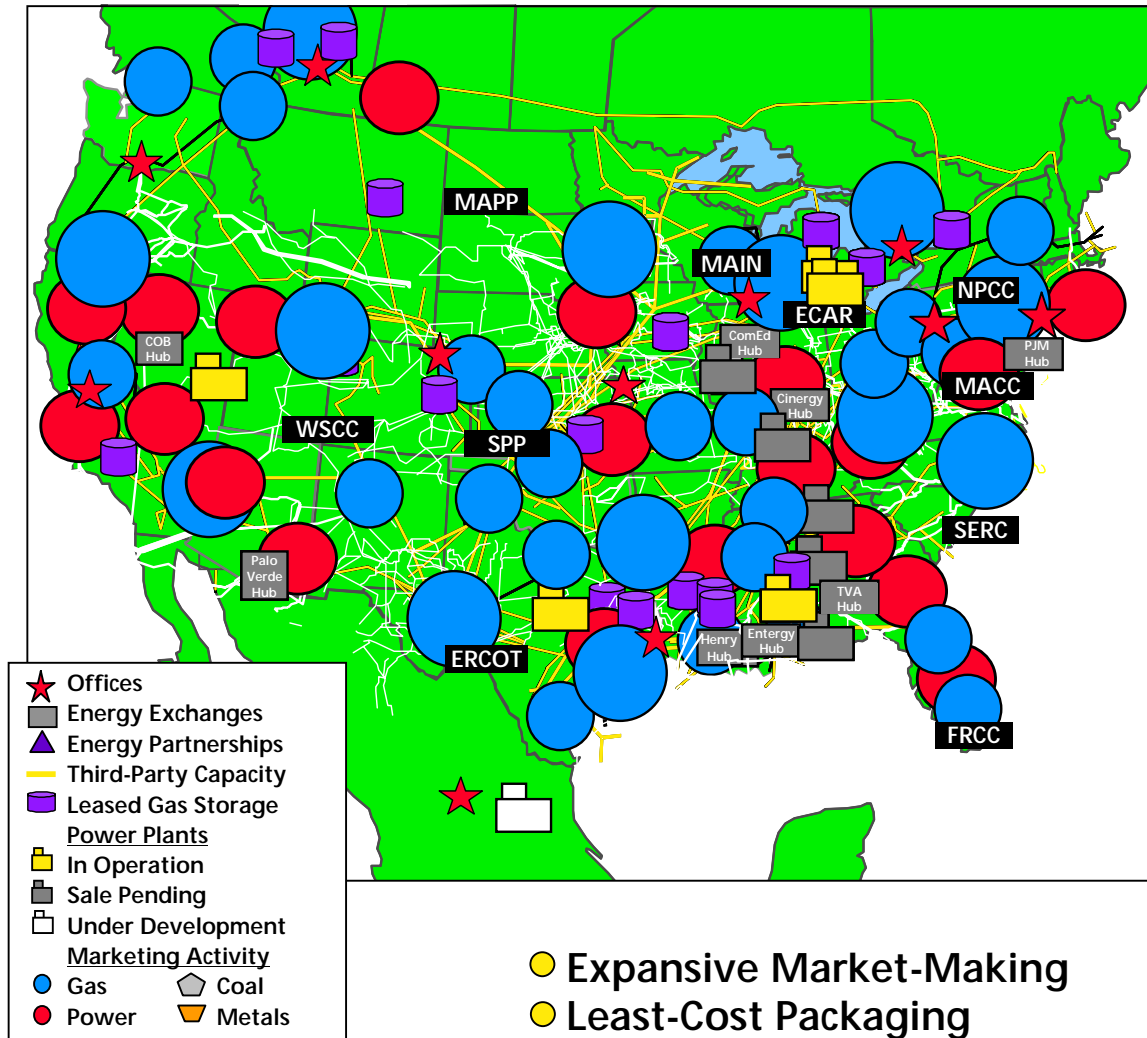
Strong Competitive Position in All Markets Served





# Enron Wholesale Services

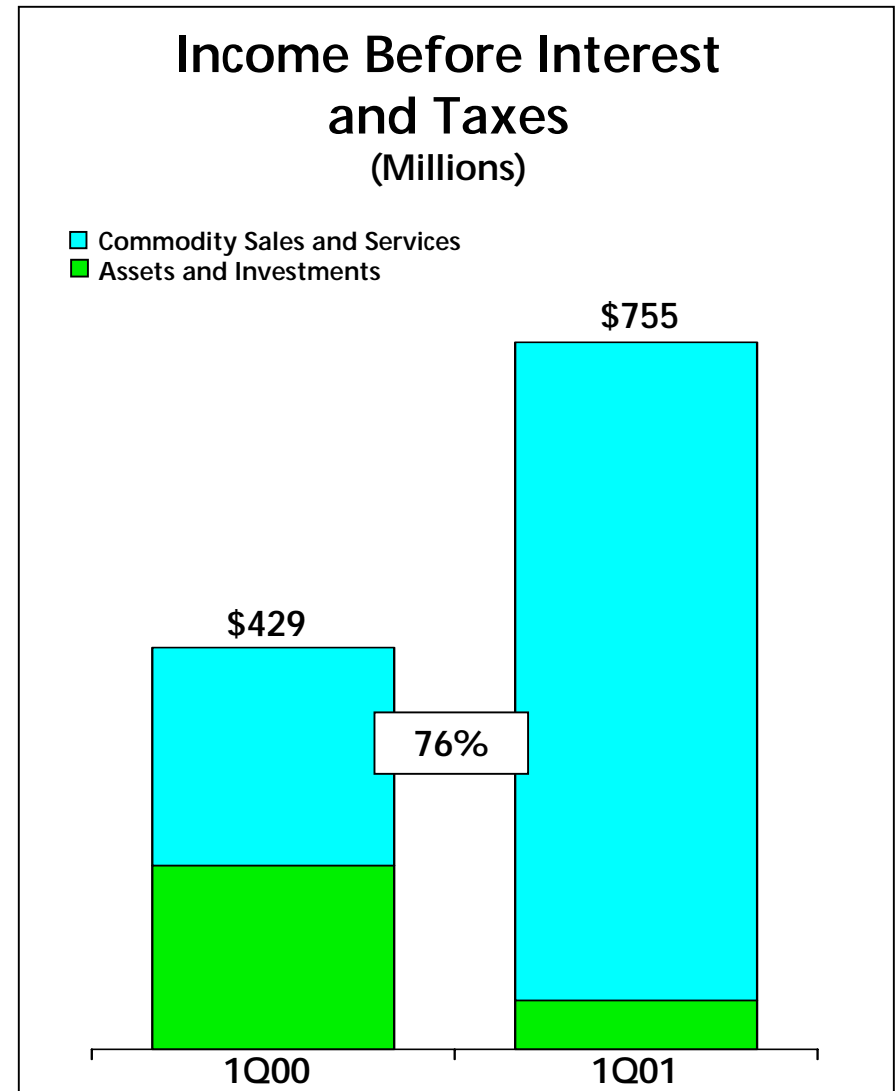
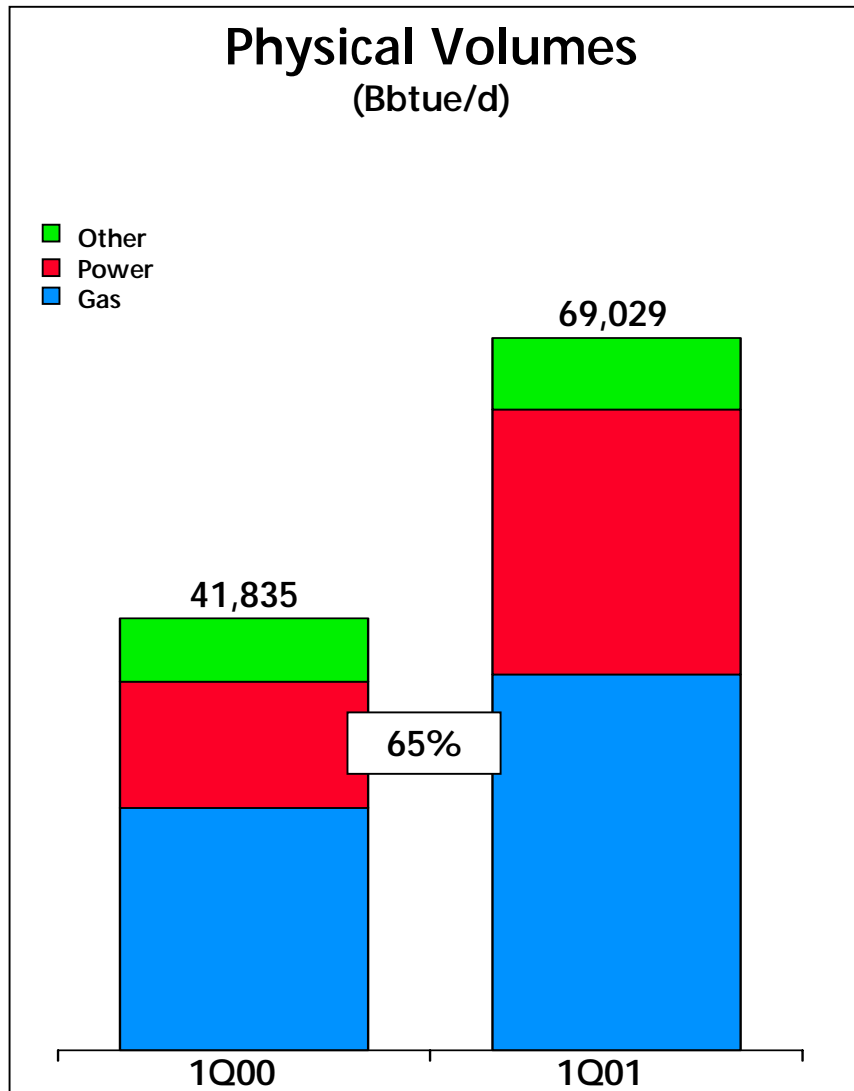
Largest, Most Reliable Wholesale Provider of Gas and Power Worldwide



- Expansive Market-Making
- Least-Cost Packaging
- Reliable Delivery

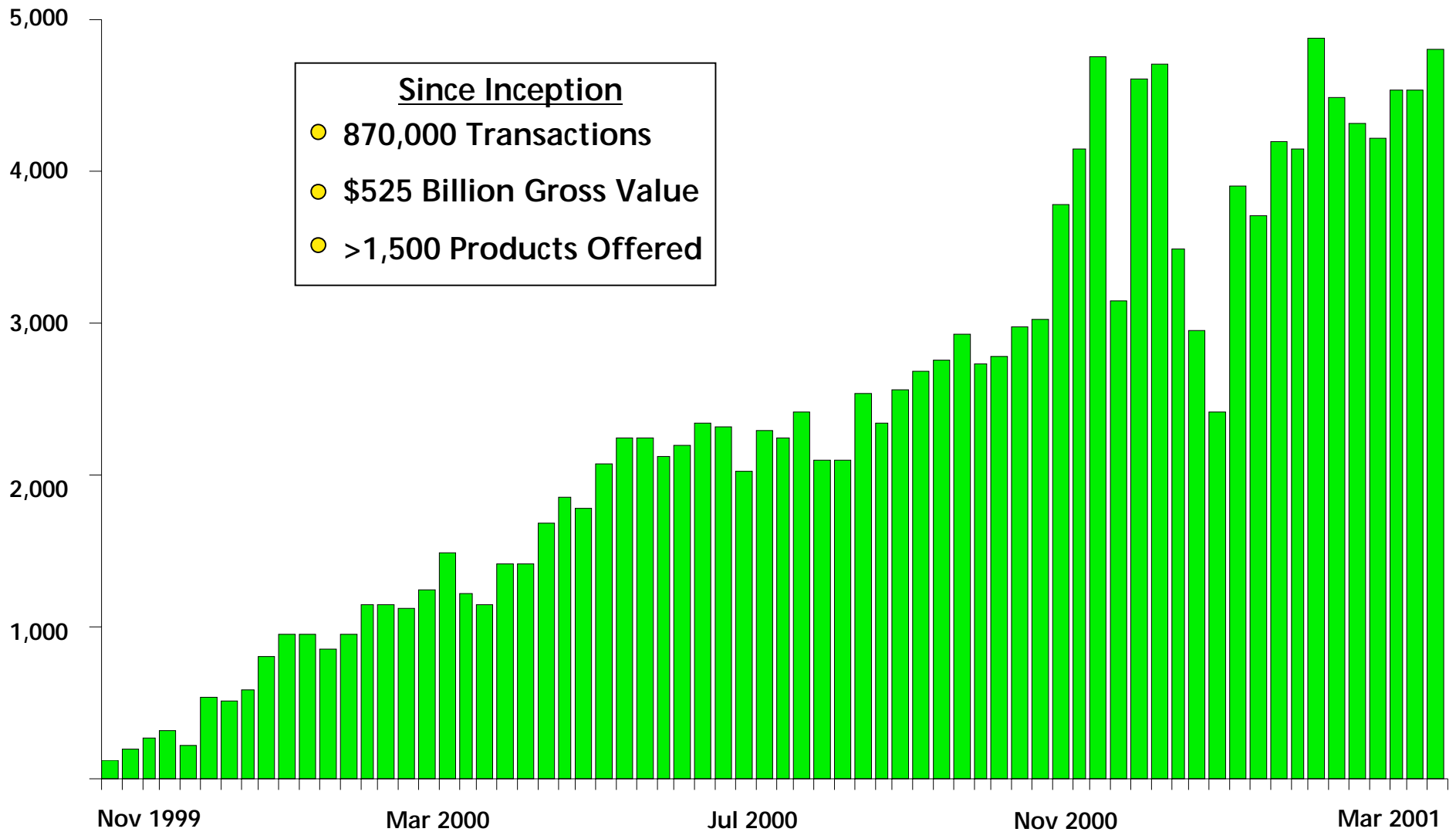
- Broad Customer Reach
- Cross-Commodity Expertise
- Innovative Products

# Wholesale Services



# EnronOnline

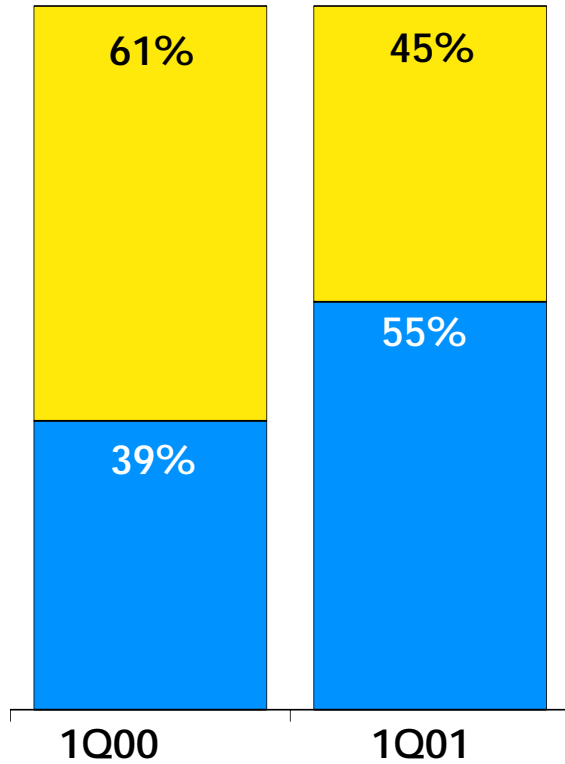
## Average Daily Transactions



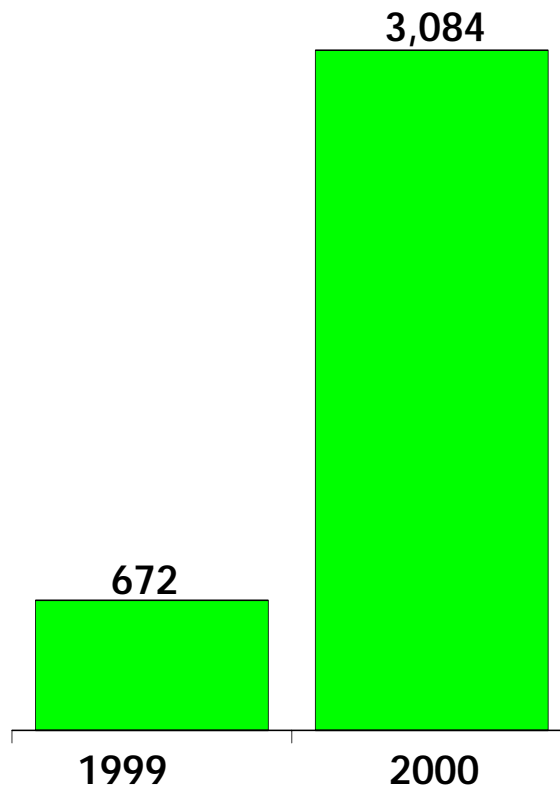
# EnronOnline

Online Transactions  
as a % of Total

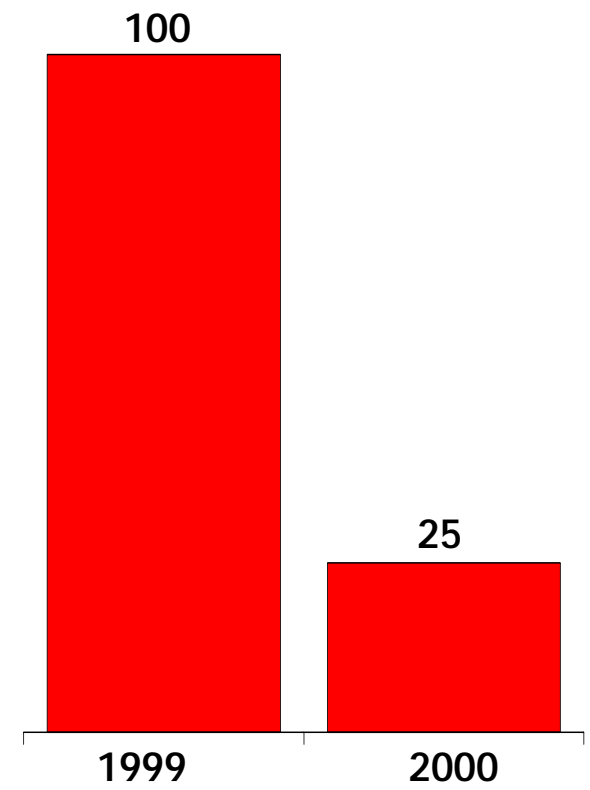
■ Enron Online  
■ Traditional



Transactions  
Per Marketer

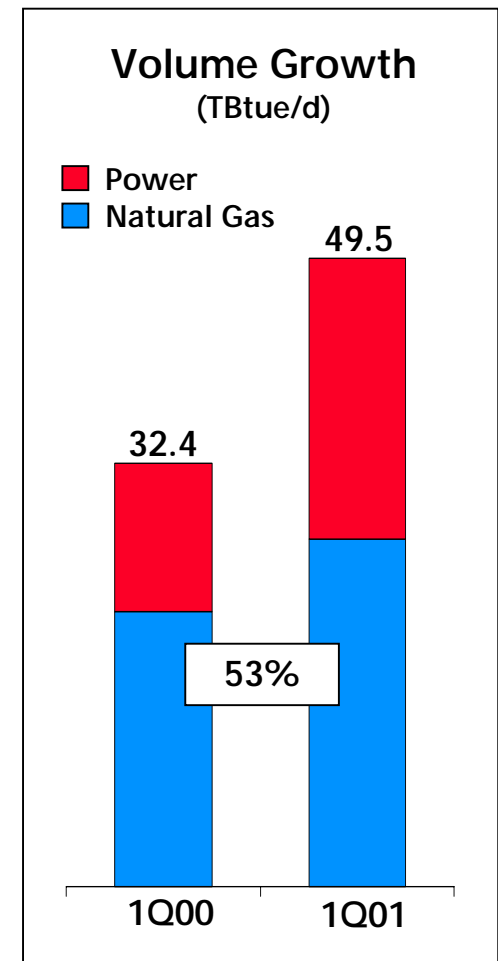


Marginal  
Cost Per Transaction  
(Indexed)



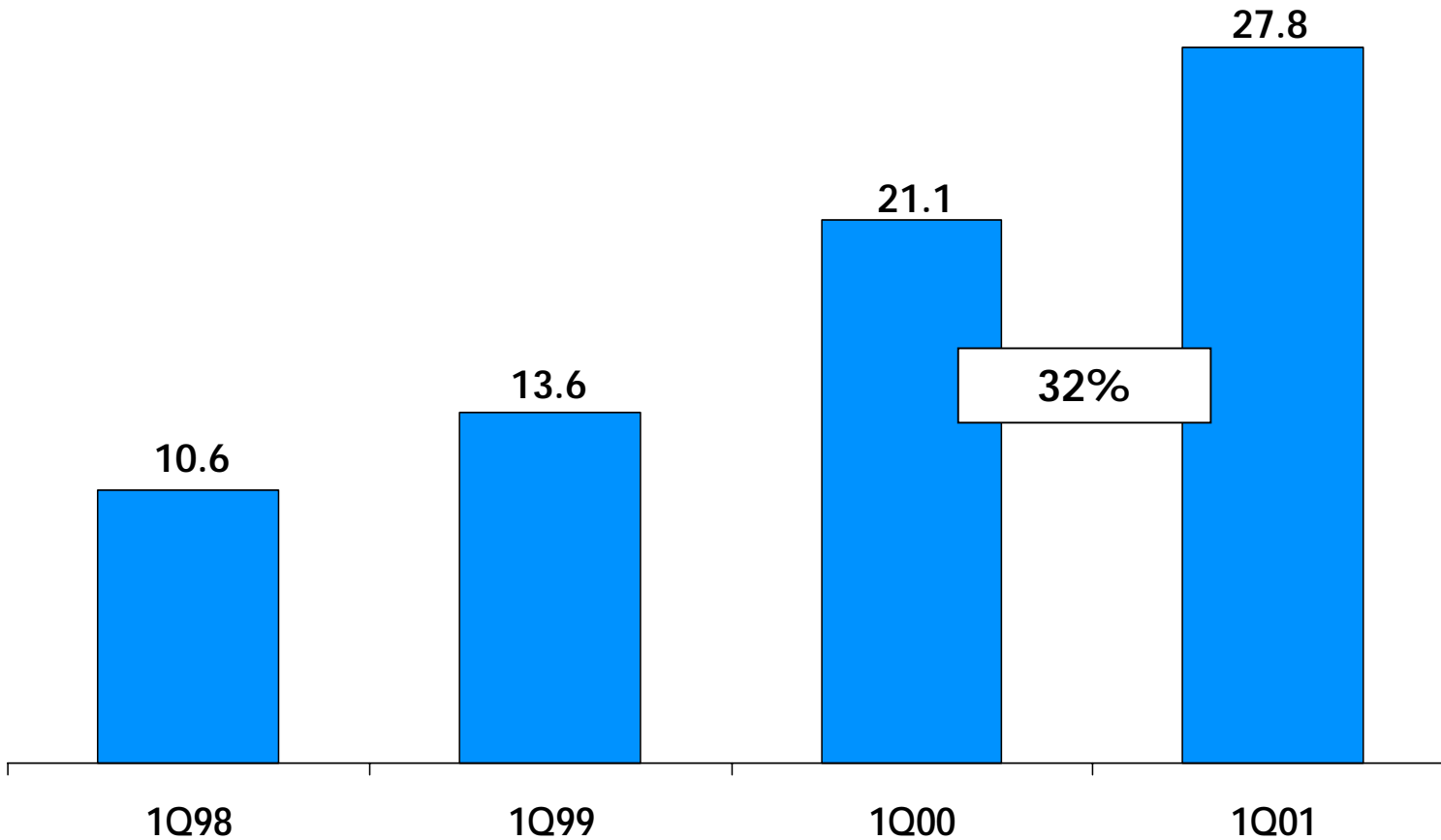
# Enron North America

- High Gas and Power Price Volatility
- Increased Value of Real-Time Market Information
- Increasingly Complex Supply and Delivery Contracts and Logistics
- Increased Demand for Risk Management Services by Enron's Expanding Customer Base



# North America Natural Gas Volumes

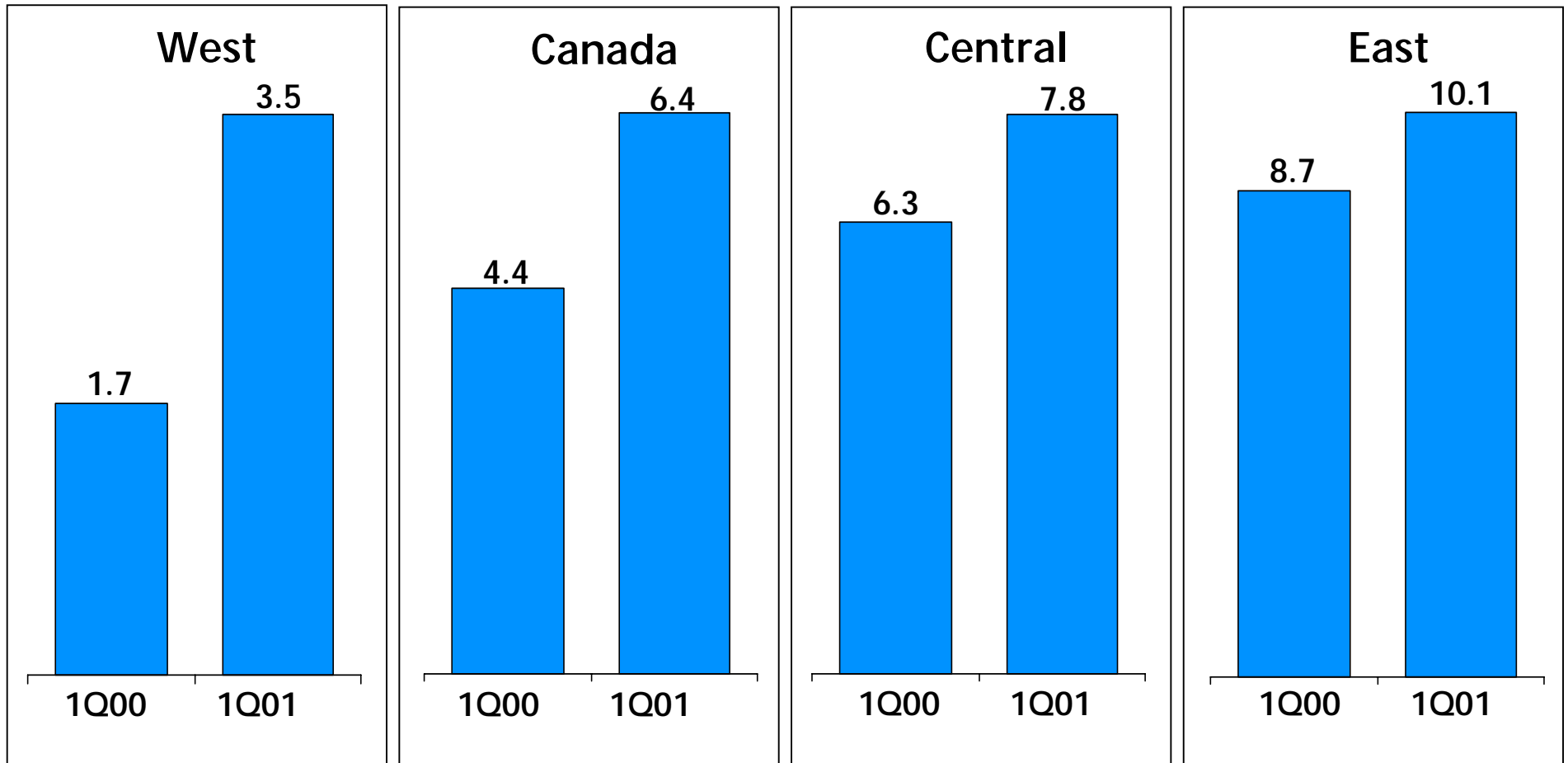
(Bcf/d)





# North America Natural Gas Volumes

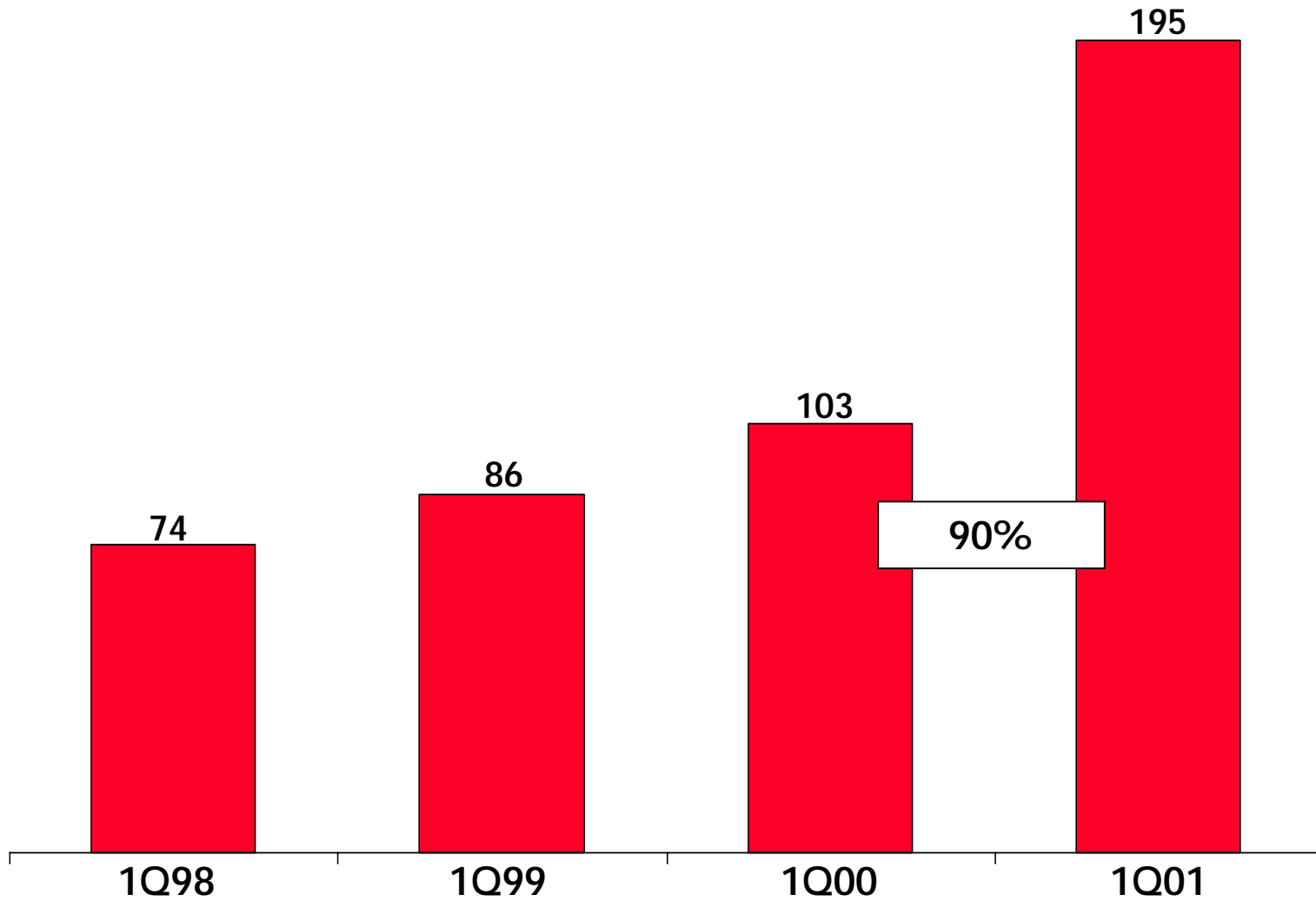
(Bcf/d)



**Delivering to Over 2,000 Customers**

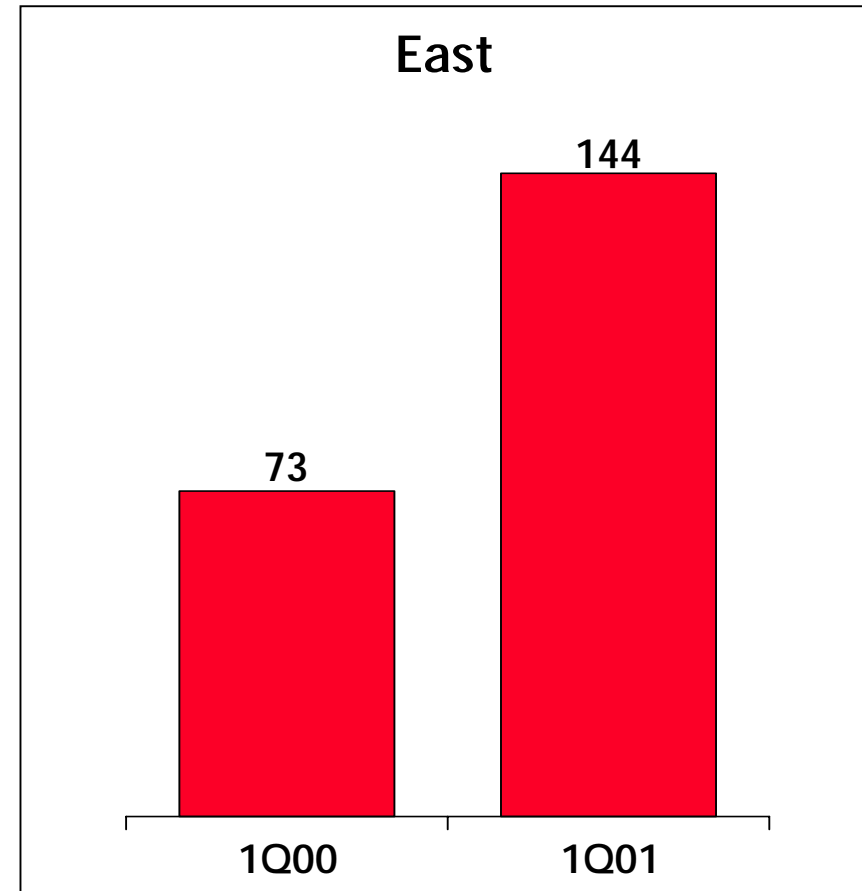
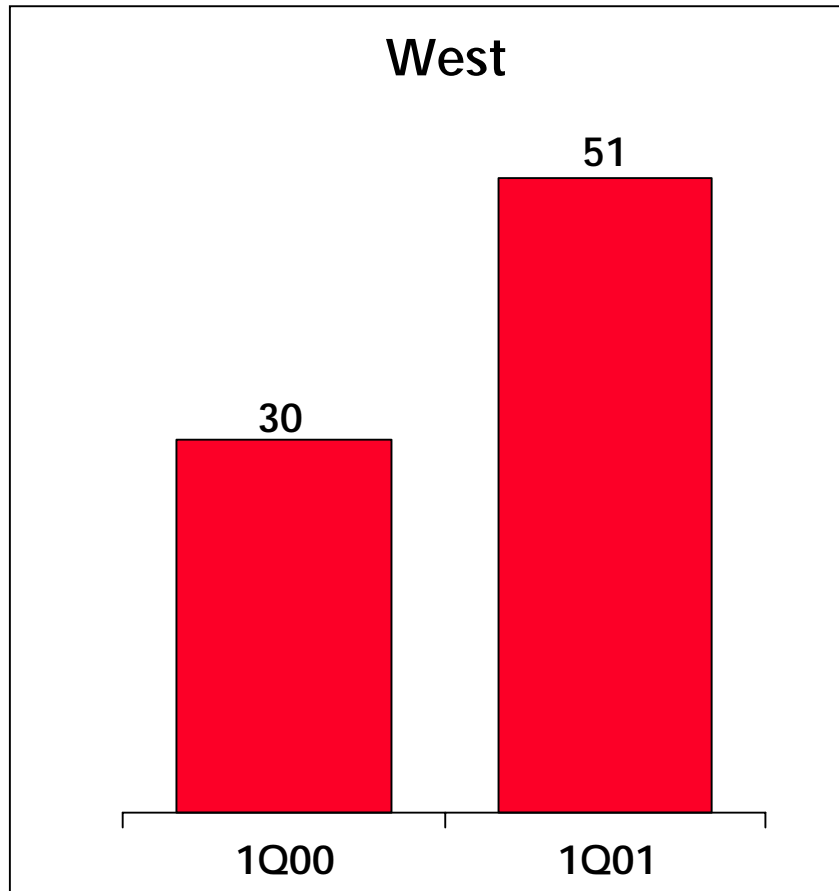
# North America Power Volumes

(Million MWh)



# North America Power Volumes

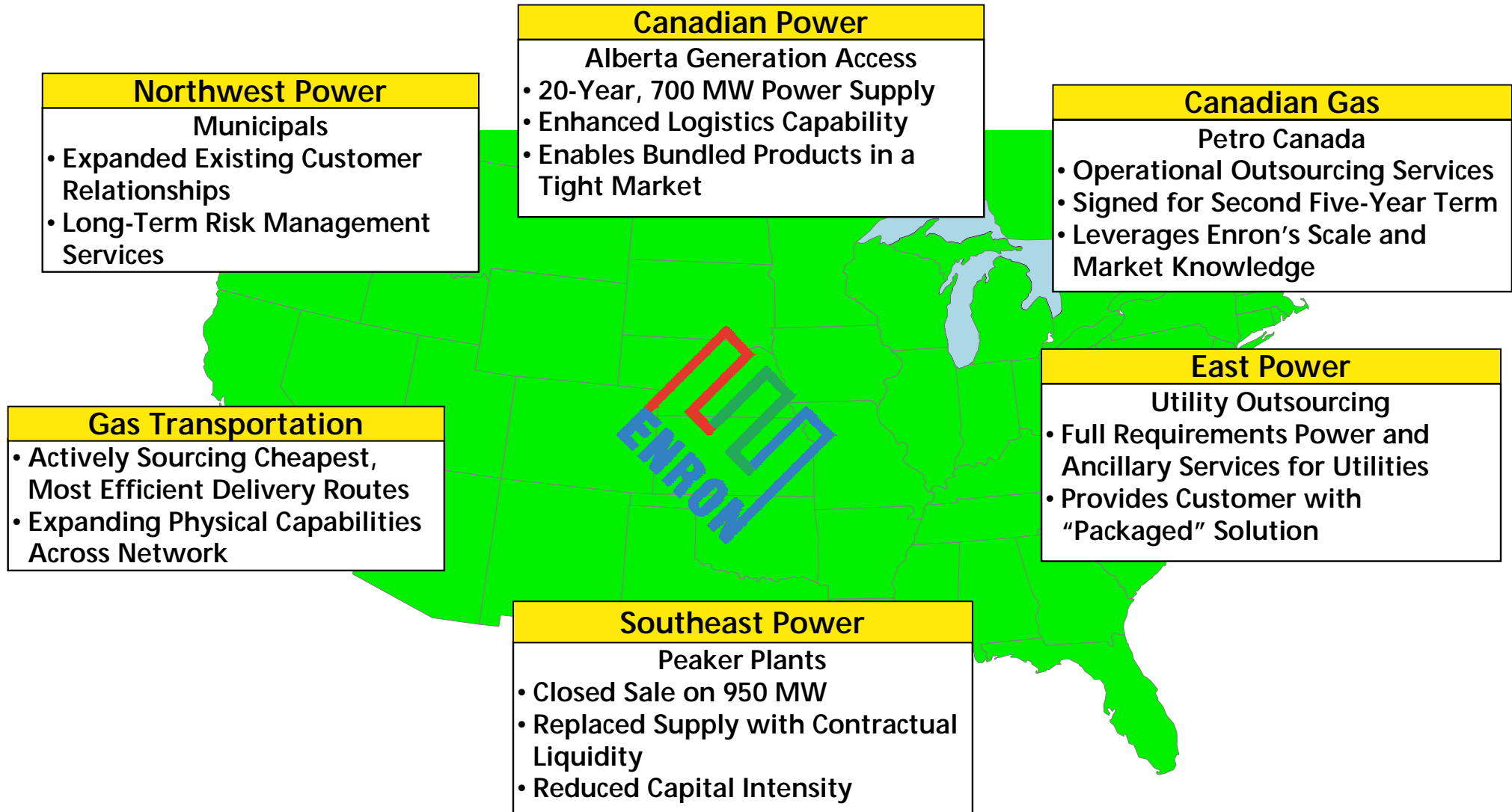
(Million MWh)



**Delivering to Almost 500 Customers**

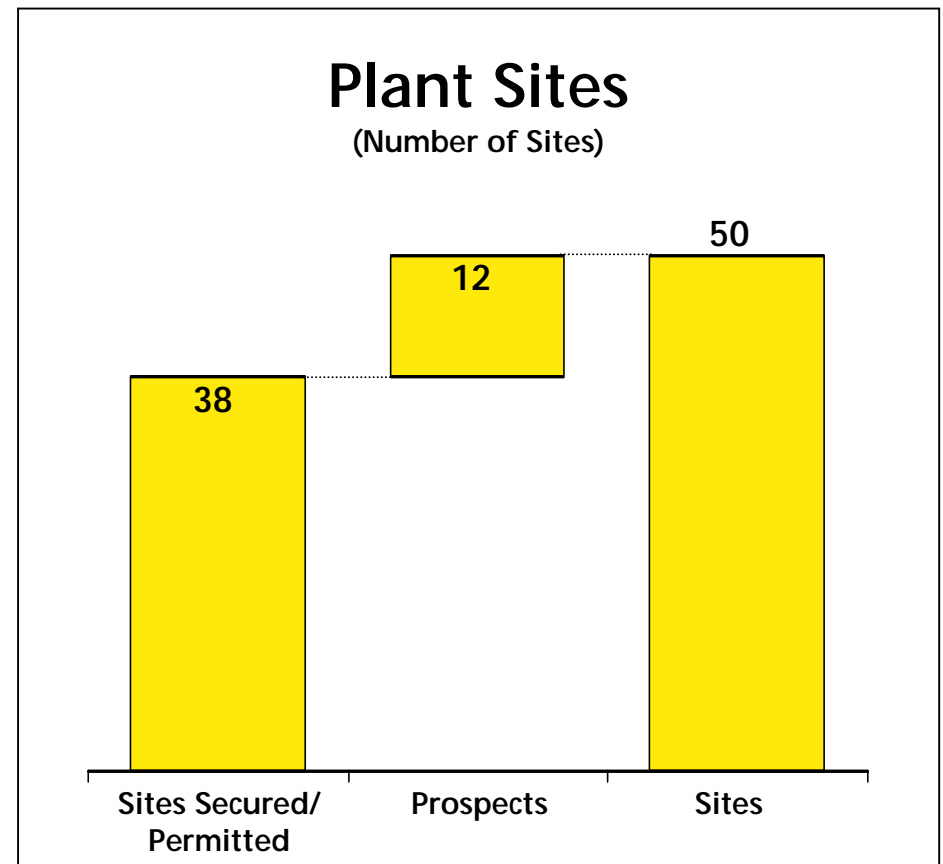
# Enron North America

## Extensive Execution Capability



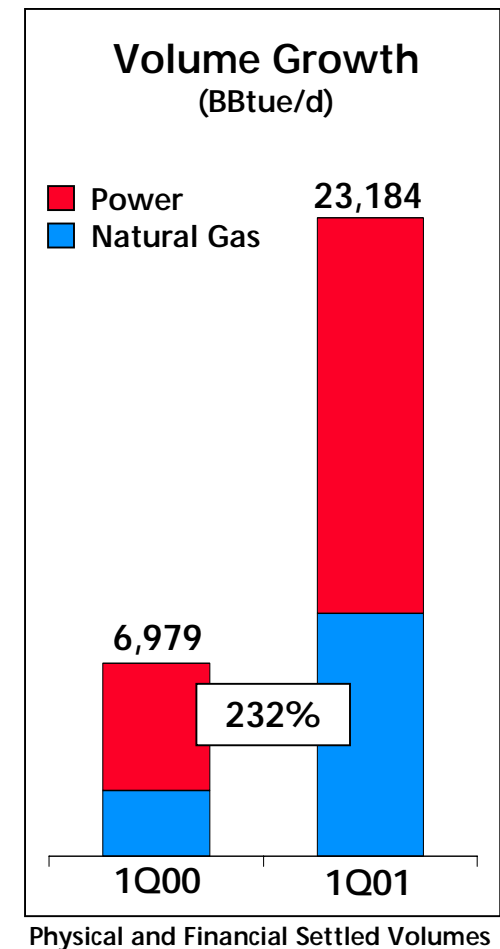
# Enron North America Generation Site Development

- Market Knowledge Advantage
- Inventory of Additional Capacity Sales
- Low Cost, High Value Optionality



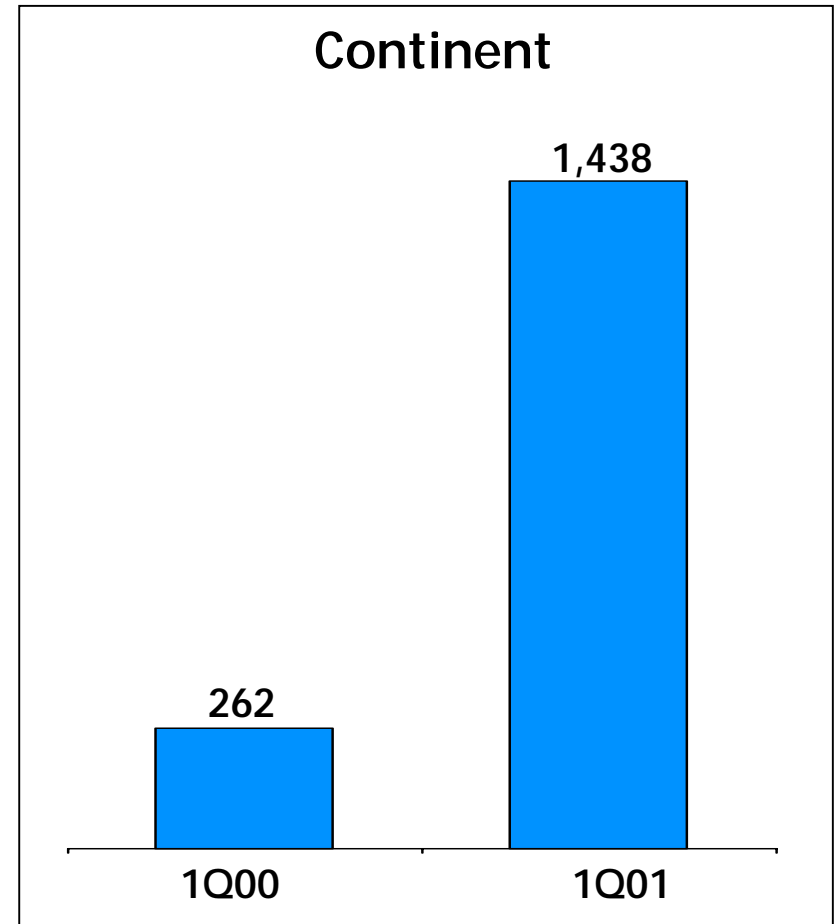
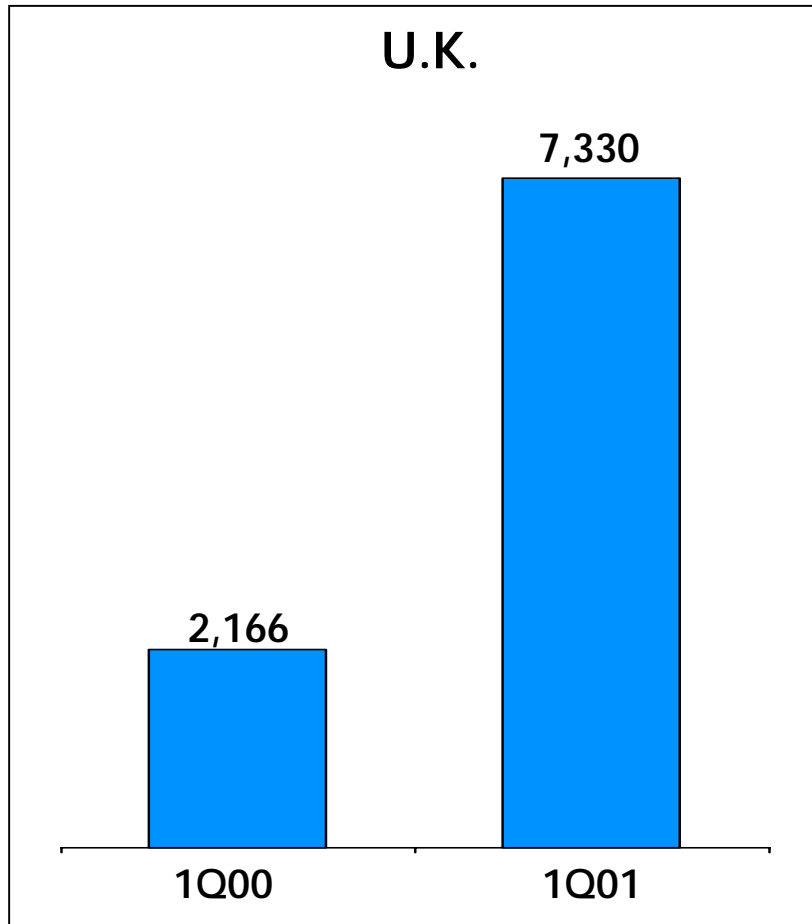
# Enron Europe

- Improved Liquidity in All Markets
- New Physical and Index-Related Opportunities From Recent U.K. NETA Implementation
- Active Participation in Regional European Hubs on the Continent
- Continued Convergence Between U.K. and Continental Gas and Power Markets
- Extended Global Reach with eCommerce Products



# Europe Natural Gas Volumes

(BBtue/d)

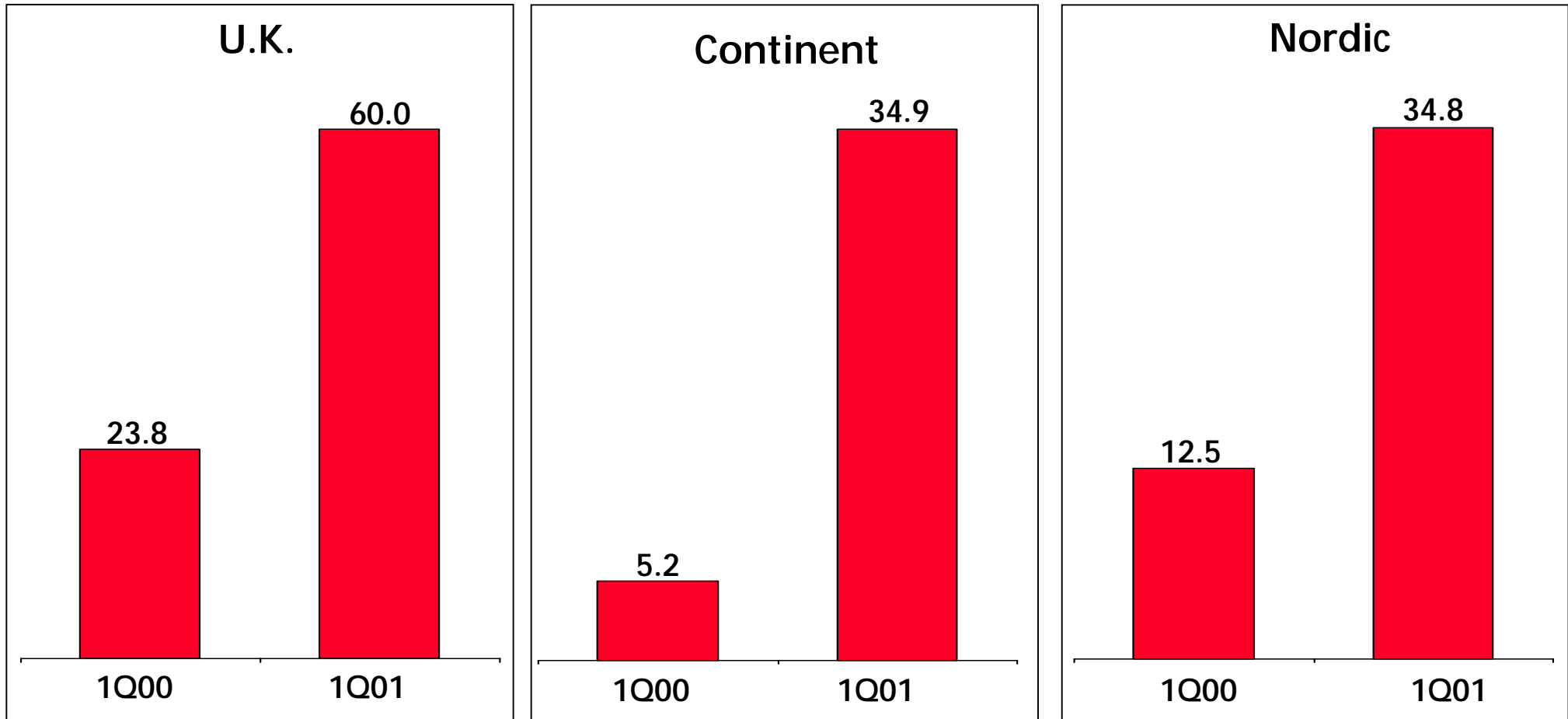


Physical and Financial Settled Volumes

**Transacting with Over 100 Customers**

# Europe Power Volumes

(Million MWh)

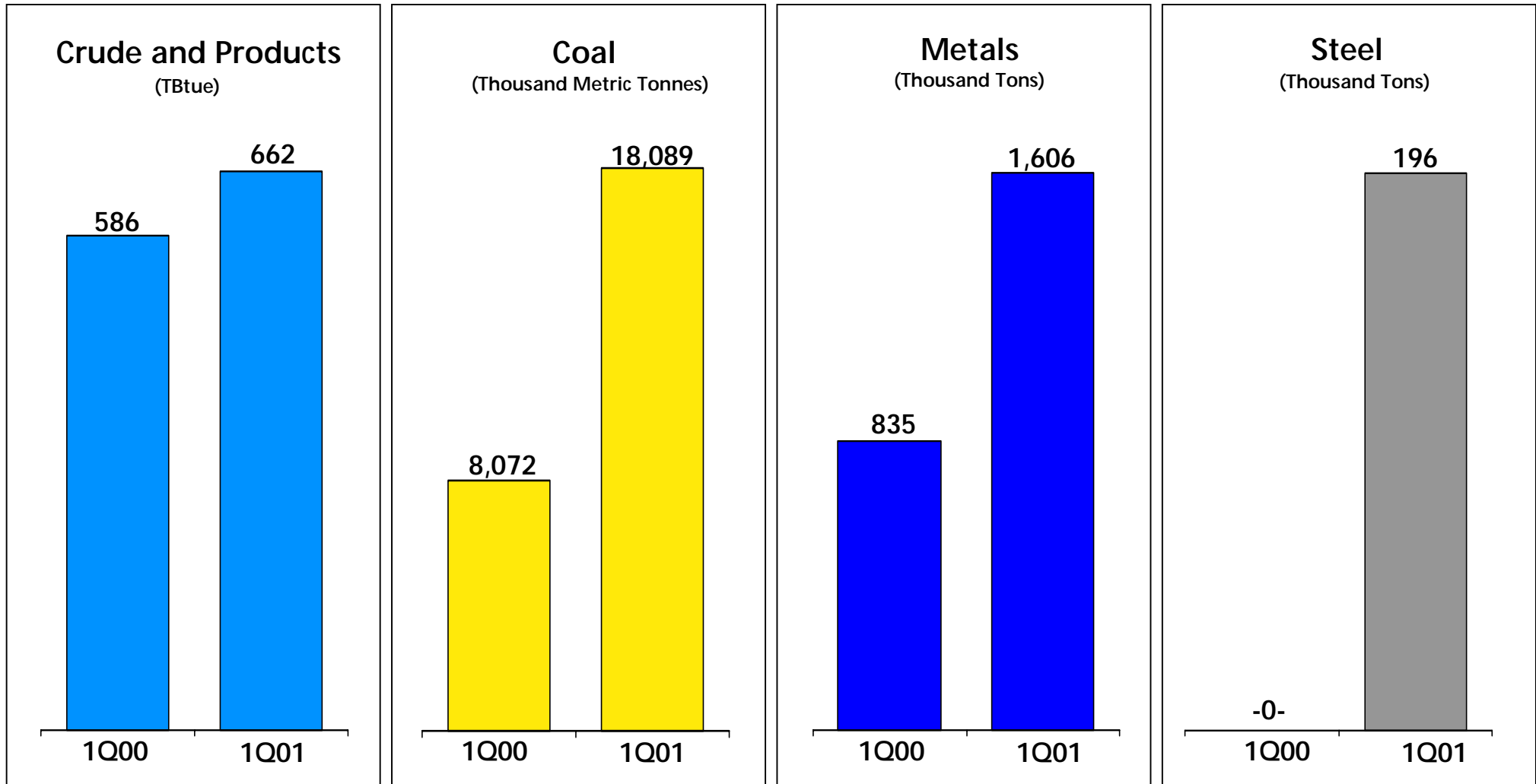


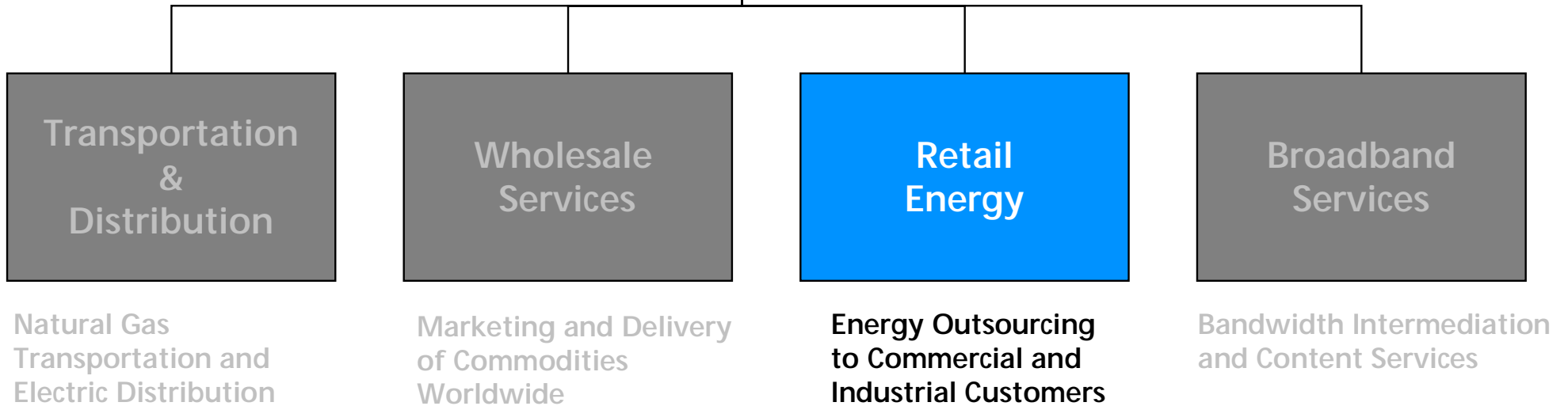
Physical and Financial Settled Volumes

**Transacting with Almost 200 Customers**



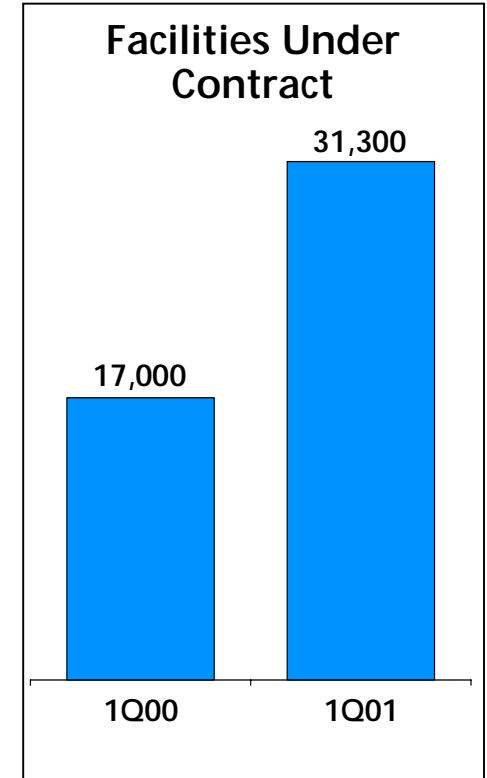
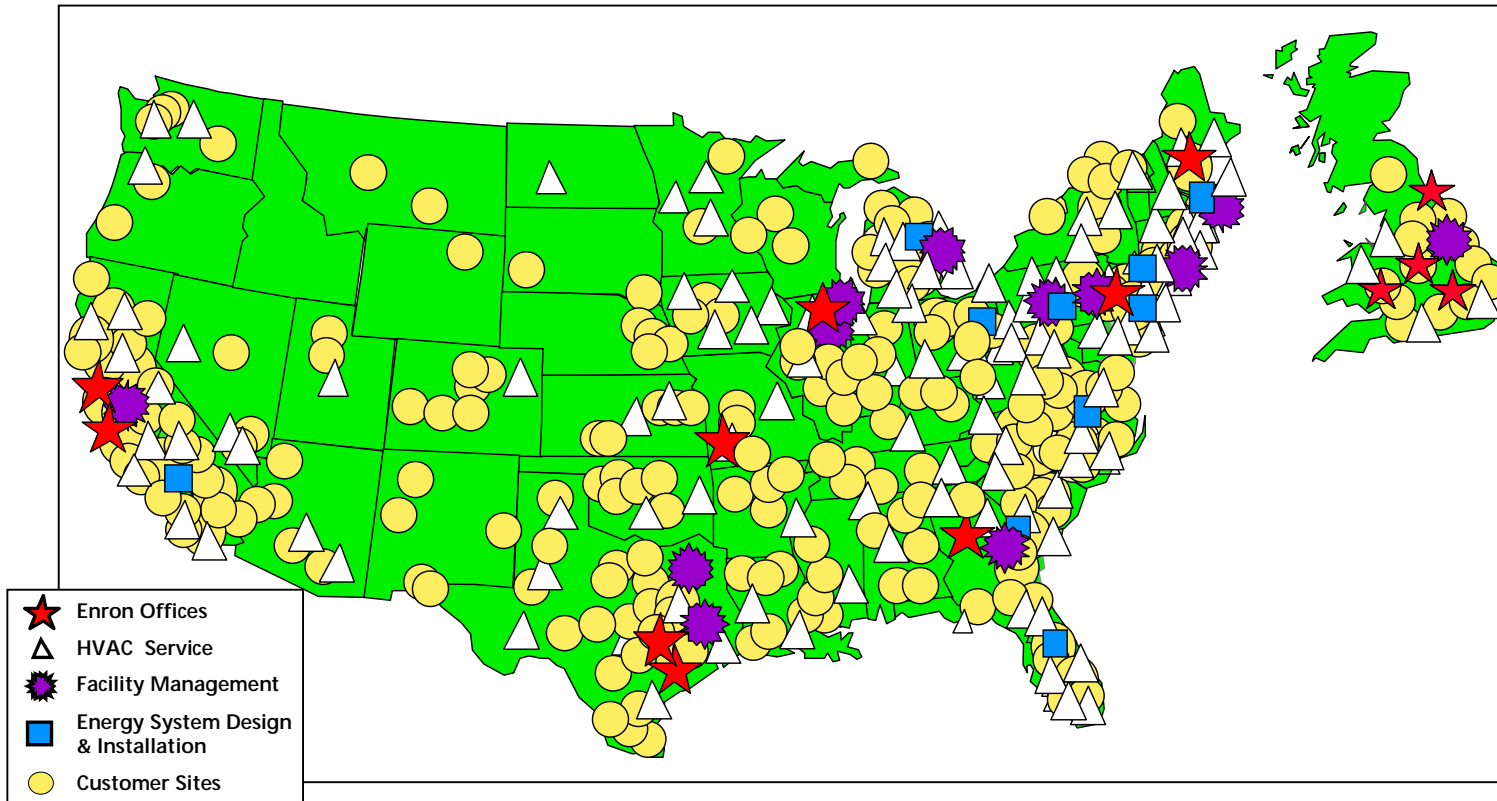
# Global and Industrial Markets





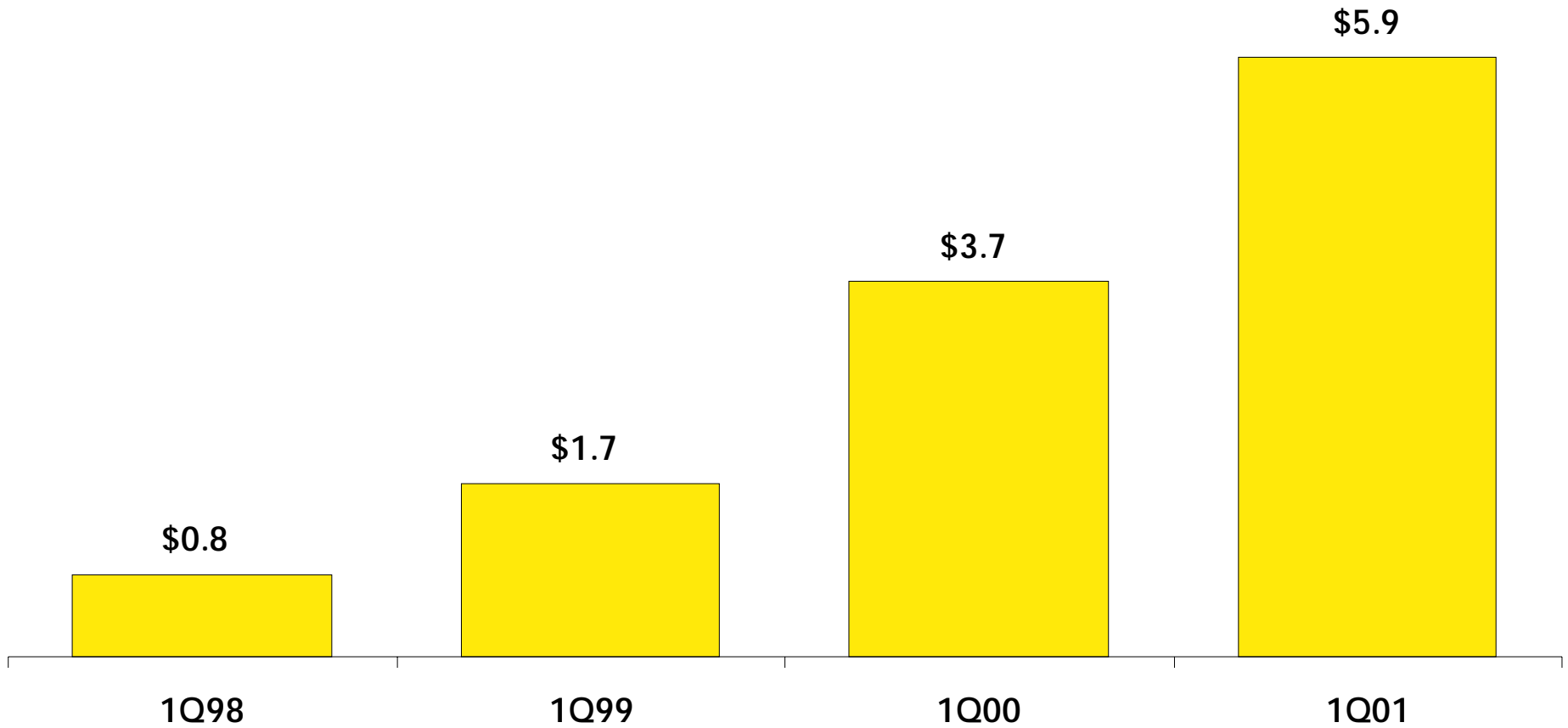
# Enron Energy Services

The Only Company Offering Comprehensive Retail Energy Solutions



- Broad Product Offering
- Increased Efficiencies
- Extensive Delivery Platform
- Expanding Opportunities

# Enron Energy Services Total Contract Value (Billions)



# Outsourcing Update

## Recent Contracts

### Eli Lilly

- Total Contract Value of \$1.3 Billion
- Covers 17 North American Facilities
- Long-Term Energy Outsourcing Agreement:
  - Electricity and Natural Gas Supplies
  - Energy Asset Management
  - Operations and Maintenance Services



### JC Penney

- Total Contract Value Exceeds \$600 Million
- Covers 1,250 Locations in All 50 States
- Long-Term Energy Outsourcing Agreement:
  - Electricity and Natural Gas Supplies
  - Energy Infrastructure Project Management



### Owens-Illinois



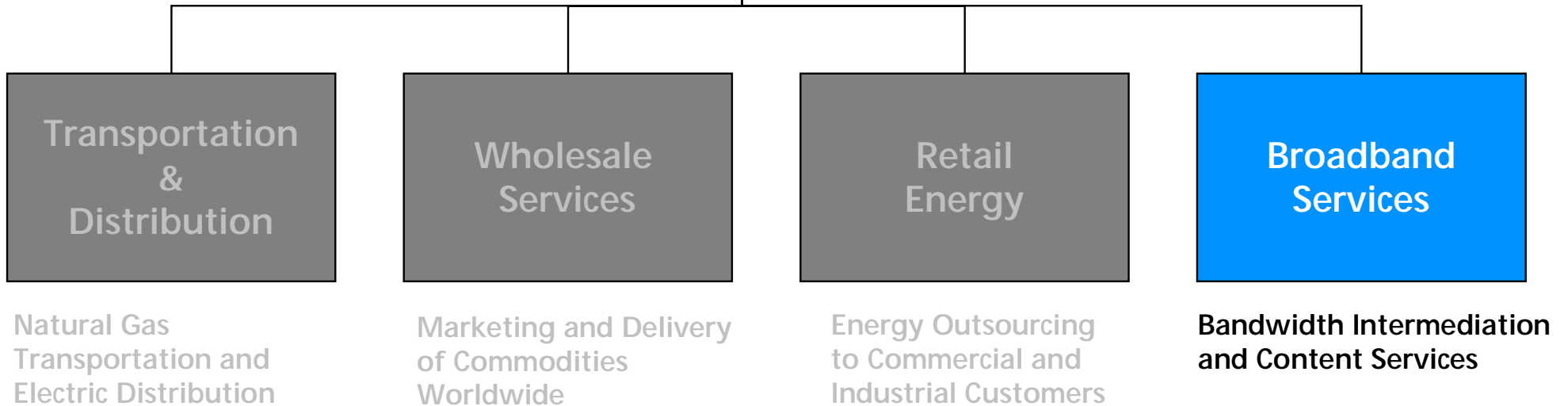
### Quaker Oats



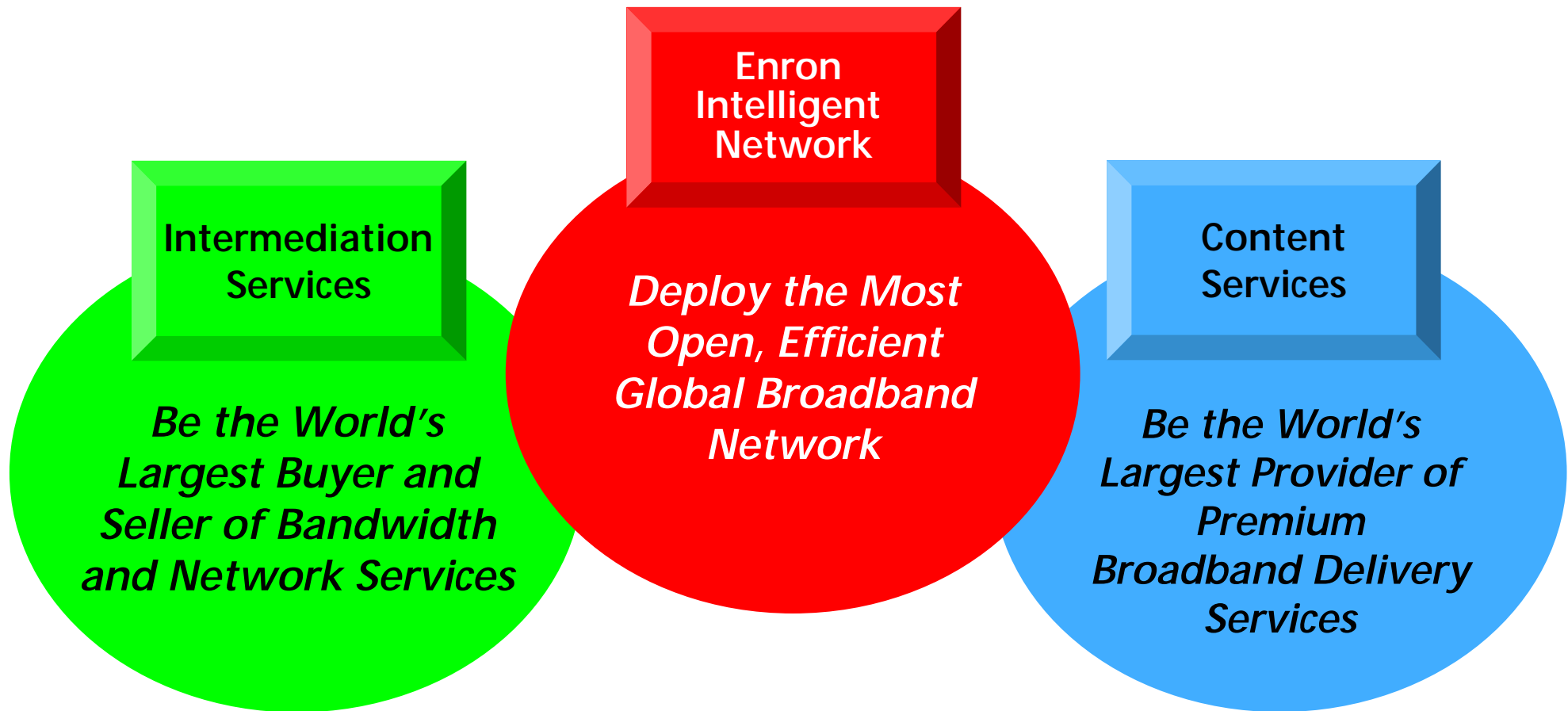
### Saks



**This Slide is Not In Your Book**

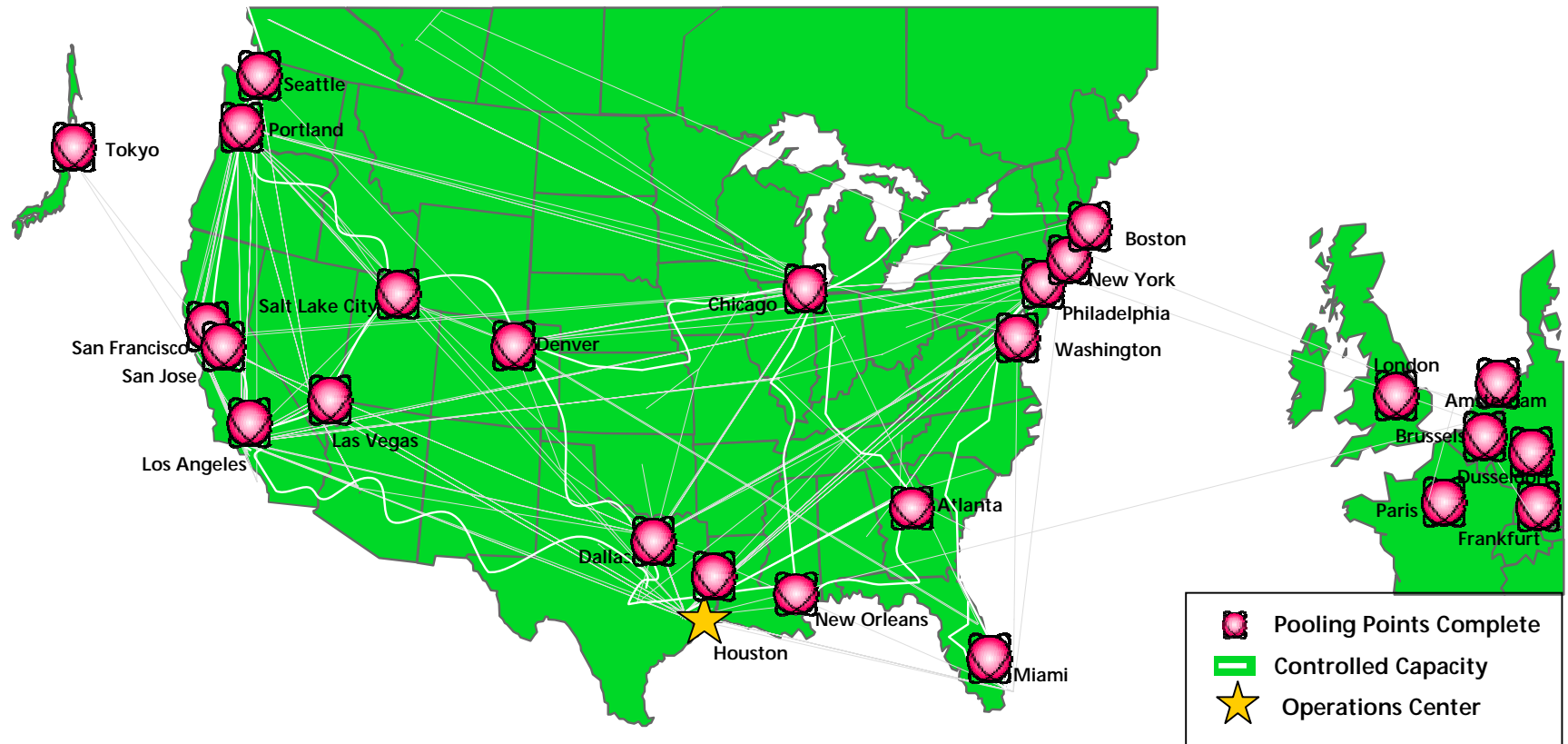


# Enron Broadband Services





# Enron Intelligent Network



- Extensive Switching Capabilities
- Significant Controlled Capacity
- Unique Operating System

**Enron's Low Cost, Interconnected,  
Scalable Global Network Is Substantially Complete**

# Network Services

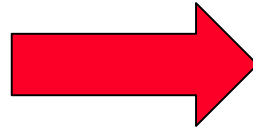
## Recent Market Developments

- Transaction Velocity is Dramatically Increasing Overall
- Multiple New Network Products Emerging
- Multiple New Entrants Transacting



## Actively Making Markets Globally

- N. America
- Europe
- Asia



## Actively Originating Circuit, IP, Storage, Streaming and Bundled Transactions



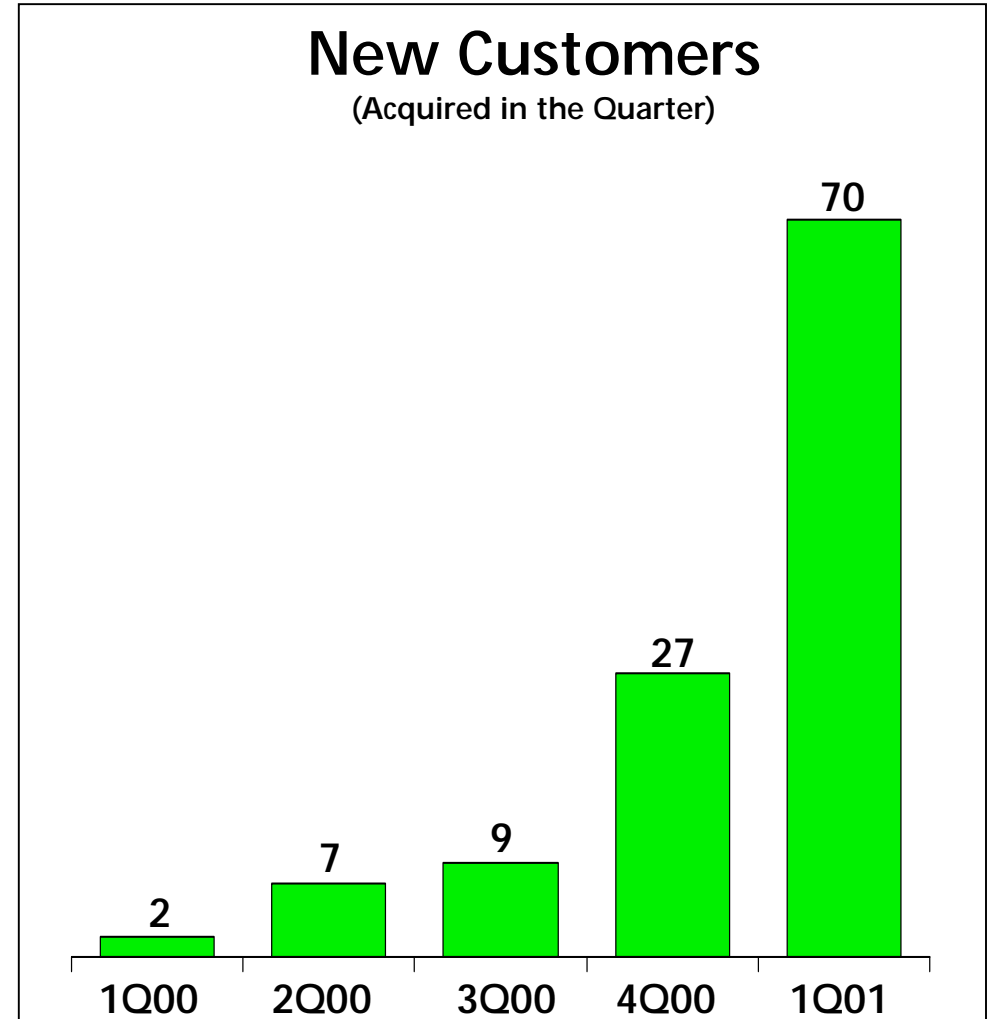
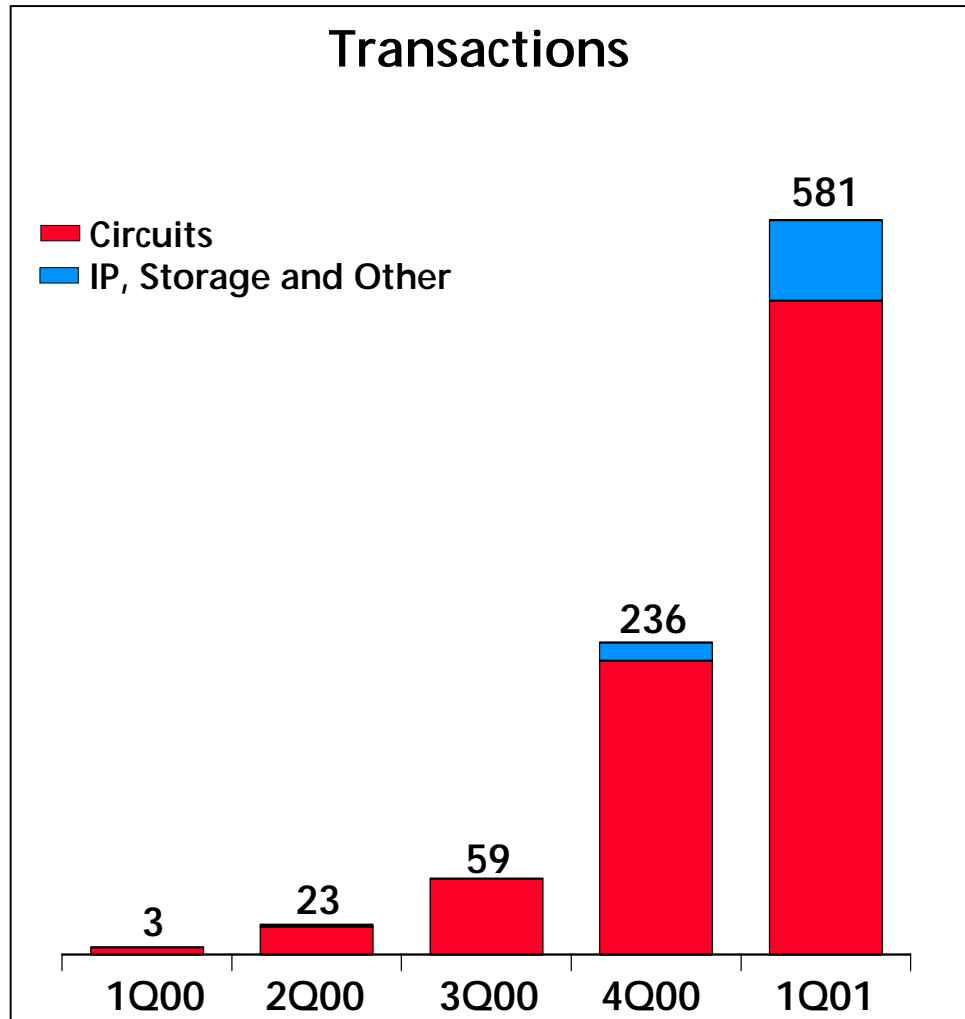
## Significantly Increasing Number and Depth of Counterparties

**Turmoil in Capital Markets Stimulates Demand for Enron's Flexible, Innovative Network Services**

# Enron's Most Active City Pairs

City Pair		% of Total (Current)
1	Los Angeles – New York	36 %
2	Los Angeles – Seattle	5
3	Miami – New York	4
4	New York - Washington	3
5	Las Vegas – Los Angeles	3
6	Chicago – New York	3
7	Los Angeles – San Jose	2
8	Dallas – Los Angeles	2
9	London – New York	2
10	Dallas - Houston	2
Top Ten		<u>62 %</u>

# Intermediation Activity

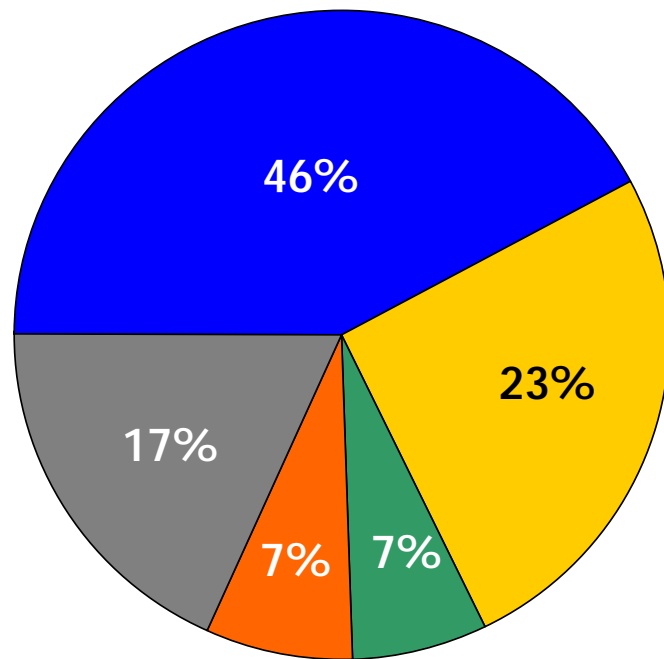


**Currently Serving 120 Customers**

# Intermediation Customers

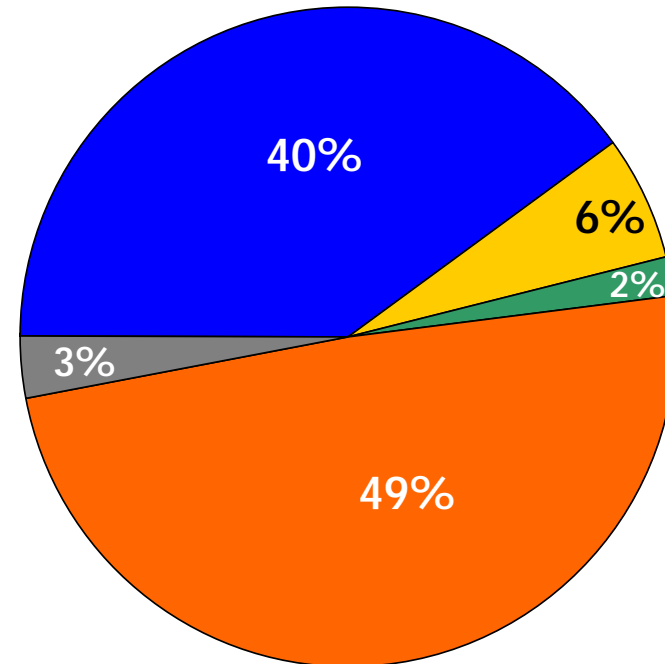
At March 31, 2001

## Customer Mix



- Carriers
- Network Service Providers
- Enterprises
- Marketers/Resellers
- Media and Other

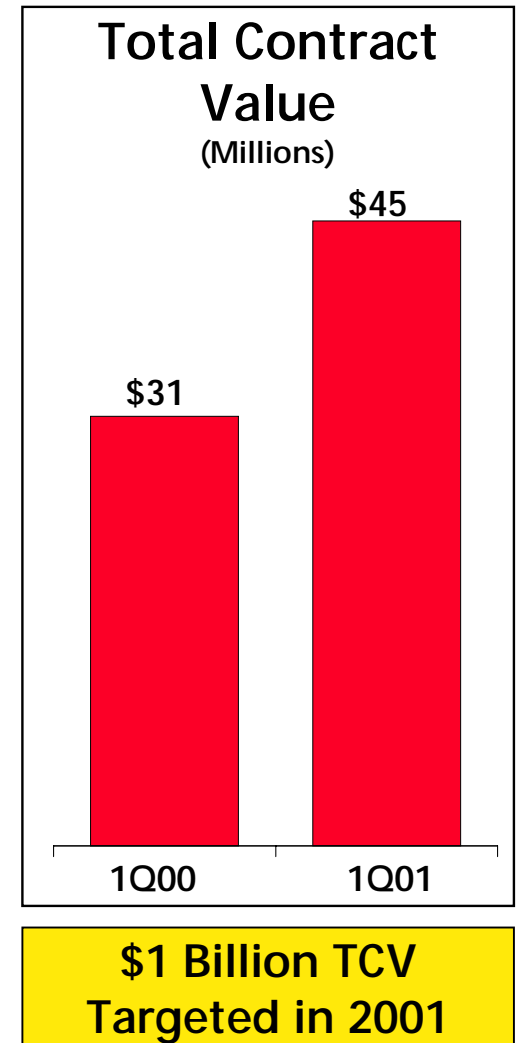
## Transaction Mix



- Carriers
- Network Service Providers
- Enterprises
- Marketers/Resellers
- Media and Other

## Content Services **Video-On-Demand**

- Large, Logical Market for Enron's Intermediation and Bundled Products
- High Potential, Near-Term Opportunities
  - Not Streaming to the PC
  - Focused on TV-Based Video-On-Demand Offerings
- Acquisition of Premium Content
  - Direct Pursuit of Content Maximizes Revenue Opportunity
  - Numerous Significant Discussions Underway



# Video-On-Demand Enron's Active Initiatives

## On-Demand Content

- Movie Studios
- Broadcast TV
- Games
- Applications

## Wholesale Delivery

- Bandwidth
- Storage
- Security
- Logistics

## Distributions Partnerships

- DSL
- Cable
- Satellite

# Conclusion

- Strong First Quarter Earnings Confirm Positive Momentum of Enron's High Growth Businesses
- Successful New Businesses Extending Enron's Enormous Growth Potential
- Enron is Well-Positioned for Continued Strong, Long-Term Financial Performance



