

Enron Global & Staff Functions 2000 Goals

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2000 Enron Strategic Goals Finance

Goal: Outperform the BBB+ Bond Index.

Status: Complete

Enron has out performed the BBB+ Bond Index the entire year at all maturities by an average of 15 basis points.



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2000 Enron Strategic Goals

Finance

Goal: Create merchant investment hedging vehicle to reduce downside earnings exposure.

Status: Complete

Project Raptor

- Provided hedging mechanism for over \$1.5 billion of notional public and private equity positions.
- Mitigated \$460 million of equity losses.
- Supplied funds flow of \$300 million.

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2000 Enron Strategic Goals

Finance

Goal: Provide platform(s) for increased capital velocity to achieve return on equity target.

Status: Complete

Established numerous vehicles to stimulate capital markets and reduce use of Enron equity -

- Raptor
- Hawaii 125
- Osprey
- Others

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2000 Enron Strategic Goals

Strategic Sourcing

Goal: Implement strategic sourcing initiative resulting in \$100 million of global savings and e-commerce capabilities to market services to third parties.

Status: Complete

- Negotiated savings of approximately \$120 million. \$60 million were realized in 2000.
- Completed pre-feasibility of offering eProcurement services to third parties and determined that such a service was inconsistent with Enron's view of future market development and eCommerce.

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2000 Enron Strategic Goals Risk Assessment and Control

Goal: Total foreign exchange exposure quantified and communicated to the Board of Directors.

Status: Complete

- **Project completed with final results reported to Finance Committee on December 11.**
- **The notional exposure has been quantified and reported to the Board of Directors.**
- **A template and process has been established to be able to easily report changes in the future.**

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2000 Enron Strategic Goals Accounting

Goal: Successfully complete implementation of SAP.

Status: Complete

- SAP was successfully implemented on time and within budget.
- Favorable opinion from AA on internal controls.

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2000 Enron Strategic Goals Investor Relations

Goal: Continue delivery of a coordinated and targeted global investor communication, generating premium valuations for Wholesale Energy, Retail Energy and Broadband Services.

Status: Complete

- Coordinated and targeted investor communications was aggressively carried out which contributed to total returns and increased valuation levels.
- Meetings with investors were held in 37 cities worldwide, at over 26 industry conferences, resulting in over 450 one-on-one meetings.

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