

Kenneth L. Lay
Balance Sheet Comparison
October 31, 1999

	<u>9/30/99</u>	<u>10/31/99</u>	<u>Variance</u>	
Current Assets	3,395,902	3,189,963	(205,939)	Add'l monies invested
Marketable Investments				
Com & Pref Stocks	71,591,417	69,993,093	(1,598,324)	ENE dec \$1.125/sh & CPQ dec \$3.75/sh from pr mo; \$552,000 reclass. to LT Inv
Executive Stock Options	87,594,948	83,123,750	(4,471,198)	ENE dec \$1.125/sh & CPQ dec \$3.75/sh from pr mo;
Bonds	134,541	234,541	100,000	Earthcare Co Debentures
Mutual Funds	7,548,359	7,946,866	398,507	
Partnerships (Family)*	22,221,743	21,510,848	(710,895)	
Long Term Investments	25,209,288	26,422,371	1,213,083	Trailside Apts, Reclass. from stocks & Huntingdon
Retirement Deferred Assets	12,991,208	12,968,300	(22,908)	
Personal Non Earning Assets	1,657,073	1,849,585	192,512	3 Jeeps & Furniture for Huntingdon & Petite #3
Current Liabilities	(50,070,841)	(51,961,732)	(1,890,891)	Borrowings for new invest. & net expenses
Long Term Liabilities	(53,219,042)	(50,856,452)	2,362,590	Dec. in Deferred Tax Liab. due to decrease stock opt.
Business Liabilities	<u>(109,947)</u>	<u>(122,762)</u>	<u>(12,815)</u>	
NET WORTH	<u>\$ 128,944,649</u>	<u>\$ 124,298,371</u>	<u>(4,646,278)</u>	

CONTINGENT LIABILITIES:

Ken has guaranteed an unsecured note in the amount of \$350,000 maturing on December 7, 1999 with an interest rate of 6.5% at Bank of America for his sister, Sharon Lay.

Ken and Linda have guaranteed a mortgage in the amount of \$900,000 maturing on January 1, 2014 with an interest rate of 6.88% at Bank of America for their daughter, Robyn Vermeil. This loan is collateralized by property appraised at \$965,000 as of December 9, 1998.

Ken has also guaranteed two unsecured notes in the amounts of \$185,000.00 maturing on May 27, 2000 and \$1,200,000 maturing on June 25, 2000-both with an interest rate of 30-Day LIBOR (Daily floating rate) at Bank of America for his sister, Sharon Lay.

* Value based on FMV of partnership assets. No discount for partnership interest is shown.

LAY-G39 0170

November 18, 1999

Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: October 31, 1999

	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash on Hand:			
CASH ON HAND/SK	42.59	.0%	.0%
CASH ON HAND/PSTOKES	379.16	.0%	.0%
CASH ON HAND/MSTURGIS	186.82	.0%	.0%
Total Cash on Hand:	<u>608.57</u>	.0%	.0%
Checking Accounts:			
NATIONSBANK 0707	20,099.88	.0%	.0%
NATIONSBANK/CONTRIBUTIONS	211.39	.0%	.0%
NATIONSBANK/LPL PROPERTIES	-41,560.02	.0%	.0%
NATIONSBANK/STOKES	1,934.43	.0%	.0%
VECTRA BANK	9,933.34	.0%	.0%
UNITY 109-900	5,119.38	.0%	.0%
Total Checking Accounts:	<u>-4,261.60</u>	.0%	.0%
Money Market Accounts:			
WASHINGTON DC ACCT	90,000.00	.0%	.0%
Total Money Market Accounts:	<u>90,000.00</u>	.0%	.0%
Brokerage Accounts:			
GOLDMAN SACHS/GS-61	261,767.25	.1%	.1%
GOLDMAN SACHS/GS-42	67,344.52	.0%	.0%
SANDERS MORRIS MMA/SMM-JT	5,458.01	.0%	.0%
SANDERS MORRIS MMA/SMM-KLL	21.85	.0%	.0%
PAINE WEBBER MMA/PW-KLL	11.86	.0%	.0%
PAINE WEBBER CYPRESS/PW-98	6,026.89	.0%	.0%
PAINE WEBBER MMA/PW-94	-51,984.76	.0%	.0%
CHARLES SCHWAB-CYPRESS/SCH	2,210.99	.0%	.0%
WATERHOUSE SEC-MMA/WSI	1,013.99	.0%	.0%
Total Brokerage Accounts:	<u>291,870.60</u>	.1%	.1%
Savings Accounts:			
ENRON CREDIT UNION/KLL	43.96	.0%	.0%
Total Savings Accounts:	<u>43.96</u>	.0%	.0%
Treasury Bills:			
SAVINGS BONDS	2,400.00	.0%	.0%
Total Treasury Bills:	<u>2,400.00</u>	.0%	.0%
Short-term Receivables:			
ACCT RECV-TDH	390,000.00	.2%	.2%
ACCT RECV-TDH (AVALON)	171,550.04	.1%	.1%
ACCT RECV-MKL	190,278.26	.1%	.1%

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	<u>Balance</u>	<u>% of Total Assets</u>	<u>% of Working Assets</u>
ACCT RECV-RENT DEP (#1000)	2,102.08	.0%	.0%
ACCT RECV-S. HOBBS	150,000.00	.1%	.1%
ACCT RECV-D. HOBBS	150,000.00	.1%	.1%
ACCT RECV-RRH (DICKY)	135,000.00	.1%	.1%
ACCT RECV-BJONES	128,285.91	.1%	.1%
ACCT RECV-JWALLS	3,768.62	.0%	.0%
ACCT RECV-JAL	22,878.89	.0%	.0%
ACCT RECV-E MCELROY	6,650.00	.0%	.0%
Total Short-term Receivables:	<u>1,350,513.80</u>	.6%	.6%
Notes Receivable:			
FAM PTRNS ANNUITY-2/KLL	730,081.17	.3%	.3%
FAM PTRNS ANNUITY-2/LPL	728,707.10	.3%	.3%
Total Notes Receivable:	<u>1,458,788.27</u>	.6%	.6%
TOTAL CURRENT ASSETS	<u>3,189,963.60</u>	1.4%	1.4%

MARKETABLE INVESTMENTS

Enron Corp.	\$ 48,198,626.51
Common Stock	7,780,972.59
Fayez Sarofim Mgmt.-Com	3,176,793.50
Sanders Morris Mundy-Com	1,490,031.37
Cypress Asset Mgmt.-Com.	3,480,874.29
Goldman Sachs-Com	1,907,242.02
Goldman Sachs-Internet	1,106,422.49
Paine Webber Managed	2,777,130.00

