

Beau

Ken and Linda Lay
Balance Sheet Comparison
May 31, 2001

	ENE	\$	58.1000	\$	52.9100	
	CPQ	\$	18.2000	\$	15.9900	
			<u>4/30/01</u>		<u>5/31/01</u>	<u>Variance</u>
Current Assets			11,540,415		6,811,938	(4,728,477) KLL & LPL Investments A/R-paid \$450,000; Mark, David & Beau pd off house notes- approx \$3.8M; Harris Bretall acct. liquidated
Marketable Investments						
Com & Pref Stocks			147,475,642		122,125,910	(25,349,732) \$8,000,000 ENE stock used to pay off ENE LOC
Executive Stock Options			112,337,387		78,241,368	(34,096,019) 55,000 ENE stock opt exec under plan
Bonds			874,440		649,440	(225,000) \$300,000 Evelocity notes converted New \$75,000 note to Flashfind
Mutual Funds			5,621,311		5,586,557	(34,754)
Partnerships (Family)*			26,430,582		21,078,350	(5,352,232)
Long Term Investments			54,078,789		54,513,450	434,661 Chase Cap Pts., SRE Properties; 2000 Sch K-1s recorded and carried forward
Retirement/Deferred Assets			55,489,519		49,461,390	(6,028,129)
Personal Non Earning Assets			3,492,543		3,499,009	6,466
Current Liabilities			(73,319,616)		(61,258,765)	12,060,851 \$8M paydown from sale of ENE to ENE, proceeds from stock option exercise & repay of notes pd debt
Long Term Liabilities			(99,309,489)		(78,401,004)	20,908,485 Increase in Def. Tax Liability
Business Liabilities			<u>(321,165)</u>		<u>(334,413)</u>	<u>(13,248)</u>
NET WORTH			<u>\$ 244,390,358</u>		<u>\$ 201,973,230</u>	<u>(42,417,128)</u>

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

NOTE: Net Worth of \$201,973,230 does not reflect 1,523,300 unvested Enron stock options and 151,948 restricted shares of Enron Corp. Based on a FMV of \$52.91/share as of 5/31/01, these options are valued at \$17,016,751 and the restricted shares are valued at \$8,039,569 totaling \$25,056,320. The total value less deferred tax liability of 40% would add approximately \$15,033,792 to the net worth.

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Ken and Linda Lay
Balance Sheet Comparison
May 31, 2001

CONTINGENT LIABILITIES:

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 guaranteed three secured notes in the amounts of \$250,000 and \$275,000 maturing on October 23, 2001 and a construction loan in the amount of \$1,230,000 maturing on January 17, 2003 for his sister, Sharon Lay. These loans all have an interest rate of 30-Day LIBOR + 1.5% and are collateralized by residential real estate. He has also guaranteed an unsecured note in the amount of \$50,000 for Sharon Lay Productions, Inc. which matures 2/21/02.

Linda has guaranteed a note secured by a 2000 Toyota Avalon in the amount of \$26,949 and a note secured by a 2001 Toyota in the amount of \$19,381.

Linda has guaranteed a note in the amount of \$130,000 maturing November 28, 2005 with an interest rate of 8.15% for Randy Gray. This loan is secured by residential real estate in Galveston.

Ken and Linda have guaranteed an unsecured \$5,000,000 line of credit for MILAND Investments, L.L.C. at Bank of America. The line of credit matures on April 5, 2002 with a floating interest rate of 30-Day LIBOR plus 1.25%. The amount currently funded on the line of credit is \$772,142.

The outstanding commitments for various investments total \$ 18,827,657.

List of Outstanding Commitments
For May 31, 2001

PERSONAL	Total Commitment	Total Invested	Outstanding Commitment
Capricorn Investors II LP	500,000	500,000	-
Capricorn Investors III LP	750,000	402,811	347,189
Carson Private European Fund	1,625,000	1,137,500	487,500
Chase Cap Ptrs Private Eq Fund	5,000,000	2,164,364	2,835,636
Corporate Opportunities Funds	750,000	375,000	375,000
Environmental Opportunities Fund	500,000	475,000	25,000
Environmental Opportunities II Fund	400,000	168,000	232,000
Genesis Park LP	500,000	104,544	395,456
Lazard Technology Partners II LP	1,000,000	389,365	610,635
Murphree Venture Partners V, LP	500,000	100,000	400,000
SRE Properties Partnership No. 1, L.P.	2,500,000	1,673,342	826,658
Sterling Group Partners I, L.P.	2,500,000	32,500	2,467,500
Vanguard VII LP	3,000,000	600,000	2,400,000
Westbridge Ventures, L.P.	1,000,000	249,917	750,083
SUBTOTAL	\$ 20,525,000	\$ 8,372,343	\$ 12,152,657
List of Scheduled Commitments:			
Houston NFL Holdings	11,675,000	5,000,000	6,675,000
(Offset by Credit Facility at Bank of Am)			
TOTAL	\$ 32,200,000	\$ 13,372,343	\$ 18,827,657

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June 16, 2001

Kenneth L. & Linda P. Lay
BALANCE SHEET ANALYSIS
As of: May 31, 2001

	<u>Balance</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash on Hand:	
CASH ON HAND/SK	83.32
CASH ON HAND/PSTOKES	597.46
CASH ON HAND/MSTURGIS	200.00
CASH ON HAND/LEONA	381.63
CASH ON HAND/PRAKER	219.33
CASH ON HAND/BVLILT	1,889.14
Total Cash on Hand:	<u>3,370.88</u>
Checking Accounts:	
BANK OF AMERICA 0707	63,621.84
BANK OF AMER/LPL PROP	17,647.98
BANK OF AMER/STOKES	4,927.51
CHASE BANK CHECKING	1,578.35
VECTRA BANK	-196.56
UNITY 109-900	4,221.11
Total Checking Accounts:	<u>91,800.23</u>
Money Market Accounts:	
DIVIDEND RECVBLE ACCT	10.00
WASHINGTON DC ACCT	90,000.00
Total Money Market Accounts:	<u>90,010.00</u>
Brokerage Accounts:	
CHARLES SCH-CAPROCK/SCH-CR	523.72
GOLDMAN SACHS/GS-61	499.50
GOLDMAN SACHS/GS-42	116.35
PAINE WEBBER MMA/PW-22	338,816.53
PAINE WEBBER CYPRESS/PW-43	7,818.74
PAINE WEBBER EGA/PW-11	-1,656.73
PAINE WEBBER CAP/PW-46	106,061.97
PAINE WEBBER TCW CE/PW-71	18,789.49
PAINE WEBBER TCW MC/PW-72	27,304.09
Total Brokerage Accounts:	<u>498,273.66</u>
Savings Accounts:	
ENRON CREDIT UNION/KLL	45.73
Total Savings Accounts:	<u>45.73</u>
Treasury Bills:	
SAVINGS BONDS	600.00
Total Treasury Bills:	<u>600.00</u>

