

Beau

Ken and Linda Lay  
Balance Sheet Comparison  
July 31, 2001

ENE \$ 49.1000 \$ 45.3500  
CPQ \$ 15.3200 \$ 14.9400

	<u>6/30/01</u>	<u>7/31/01</u>	<u>Variance</u>	
<b>Current Assets</b>	8,387,876	9,109,015	721,139	Stock option exercise proceeds remaining in brokerage acct to offset margin account; \$ released 8/01
<b>Marketable Investments</b>				
<b>Com &amp; Pref Stocks</b>	89,788,181	81,886,399	(7,901,782)	85,720 shares of ENE stock used to pay off LOCs plus 50,000 shares from stock opt exec
<b>Executive Stock Options</b>	64,368,202	50,650,403	(13,717,799)	52,500 ENE stock opt exec under plan plus 50,000 stoc opt exec to hold
<b>Bonds</b>	649,440	652,273	2,833	
<b>Mutual Funds</b>	5,525,885	5,466,391	(59,494)	
<b>Partnerships (Family)*</b>	18,914,951	16,801,271	(2,113,680)	
<b>Long Term Investments</b>	55,363,346	55,896,276	532,930	Sterling Group, MILAND and partnerships
<b>Retirement/Deferred Assets</b>	46,524,051	44,385,420	(2,138,631)	
<b>Personal Non Earning Assets</b>	3,549,034	3,602,995	53,961	
<b>Current Liabilities</b>	(40,228,139)	(39,086,221)	1,141,918	\$4M paydown from sale of ENE to ENE less investments and expenses (taxes on stock opt exe)
<b>Long Term Liabilities</b>	(69,283,279)	(60,824,518)	8,458,761	Decrease in Def. Tax Liability
<b>Business Liabilities</b>	<u>(350,281)</u>	<u>(363,979)</u>	<u>(13,698)</u>	
<b>NET WORTH</b>	<u>\$ 183,209,267</u>	<u>\$ 168,175,725</u>	<u>(15,033,542)</u>	

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

NOTE: Net Worth of \$168,175,725 does not reflect 1,523,300 unvested Enron stock options and 151,948 restricted shares of Enron Corp. Based on a FMV of \$45.35/share as of 7/31/01, these options are valued at \$8,593,149 and the restricted shares are valued at \$6,890,842 totalling \$15,483,991. The total value less deferred tax liability of 40% would add approximately \$9,290,395 to the net worth.

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**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 \$4,214,684.

The outstanding commitments for various investments total \$ 18,237,943.

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**List of Outstanding Commitments**  
As of July 31, 2001

<b>PERSONAL</b>	<b>Total Commitment</b>	<b>Total Invested</b>	<b>Outstanding Commitment</b>
Broadwing, LLC	96,000	48,000	48,000
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	1,300,000	325,000
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	144,758	355,242
Jester Apartments-Slidell, LA	350,000	80,000	270,000
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	437,500	2,062,500
Vanguard VII LP	3,000,000	900,000	2,100,000
Westbridge Ventures, L.P.	1,000,000	249,917	750,083
<b>SUBTOTAL</b>	<b>\$ 20,971,000</b>	<b>\$ 9,408,057</b>	<b>\$ 11,562,943</b>

List of Scheduled Commitments:

Houston NFL Holdings (Offset by Credit Facility at Bank of Am)	11,675,000	5,000,000	6,675,000
<b>TOTAL</b>	<b>\$ 32,646,000</b>	<b>\$ 14,408,057</b>	<b>\$ 18,237,943</b>

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