



**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED STATEMENT OF INCOME (PRELIMINARY/UNAUDITED)**

(Dollars in Millions, Except Per Share Amounts)

	<b>3 Months - June 2000</b>				<b>After Tax EPS Impact *</b>
	<b>2000</b>	<b>1999</b>	<b>% Change</b>	<b>\$ Change</b>	
<b>Operating Revenues</b>	\$1,428	\$1,150	24.2%	\$278	
<b>Operating Expenses</b>					
Fuel & Purchased power	579	322	79.8%	257	
Operation and maintenance	386	364	6.0%	22	
Depreciation and amortization	186	182	2.2%	4	
Taxes other than income	74	71	4.2%	3	
<b>Total Operating Expenses</b>	<b>\$1,225</b>	<b>\$939</b>	<b>30.5%</b>	<b>\$286</b>	
<b>Operating Income</b>	<b>\$203</b>	<b>\$211</b>	<b>-3.8%</b>	<b>(\$8)</b>	
<b>Interest Expense and Other</b>					
Interest Expense	82	82	0.0%	\$0	
Other Expense- net	1	6	-83.3%	(5)	
<b>Net Interest Expense and Other</b>	<b>\$83</b>	<b>\$88</b>	<b>-5.7%</b>	<b>(\$5)</b>	
<b>Income Before Income Taxes</b>	<b>\$120</b>	<b>\$123</b>	<b>-2.4%</b>	<b>(\$3)</b>	
Income Taxes	12	13	-7.7%	(1)	
<b>Net Income - Including One-Time Items</b>	<b>\$108</b>	<b>\$110</b>	<b>-1.8%</b>	<b>(\$2)</b>	
<b>Common Sh. Outstanding - Avg</b>	<b>142.7</b>	<b>145.0</b>	<b>-1.6%</b>	<b>(2.3)</b>	
<b>Earnings Per Common Share - Including One-Time Items</b>	<b>\$0.76</b>	<b>\$0.76</b>	<b>0.0%</b>		-
<b>Add Back One Time Items (after tax)</b>					
<b>Merger Costs</b>	<b>\$0.03</b>	<b>\$0.00</b>	<b>-</b>		<b>\$0.03</b>
<b>Legislative Impact</b>	<b>(\$0.06)</b>	<b>\$0.00</b>	<b>-</b>		<b>(\$0.06)</b>
<b>Earnings Per Common Share Excluding One-Time Items</b>	<b>\$0.73</b>	<b>\$0.76</b>	<b>-4.1%</b>		<b>(\$0.03)</b>

\* Earnings impact figures are estimates  
Differences may exist due to rounding  
Please see additional detail on Page 5

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**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED STATEMENT OF INCOME (PRELIMINARY/UNAUDITED)**

(Dollars in Millions, Except Per Share Amounts)

	6 Months - June 2000				After Tax EPS Impact *
	2000	1999	% Change	\$ Change	
<b>Operating Revenues</b>	\$2,610	\$2,174	20.1%	\$436	
<b>Operating Expenses</b>					
Fuel & Purchased power	923	553	66.9%	370	
Operation and maintenance	741	689	7.5%	52	
Depreciation and amortization	378	364	3.8%	14	
Taxes other than income	150	142	5.6%	8	
<b>Total Operating Expenses</b>	<b>\$2,192</b>	<b>\$1,748</b>	<b>25.4%</b>	<b>\$444</b>	
<b>Operating Income</b>	<b>\$418</b>	<b>\$426</b>	<b>-1.9%</b>	<b>(\$8)</b>	
<b>Interest Expense and Other</b>					
Interest Expense	165	165	0.0%	\$0	
Other Expense- net	3	9	-66.7%	(6)	
<b>Net Interest Expense and Other</b>	<b>\$168</b>	<b>\$174</b>	<b>-3.4%</b>	<b>(\$6)</b>	
<b>Income Before Income Taxes</b>	<b>\$250</b>	<b>\$252</b>	<b>-0.8%</b>	<b>(\$2)</b>	
Income Taxes	25	27	-7.4%	(2)	
<b>Net Income - Including One-Time Items</b>	<b>\$224</b>	<b>\$225</b>	<b>-0.4%</b>	<b>(\$1)</b>	
<b>Common Sh. Outstanding - Avg</b>	<b>143.6</b>	<b>145.1</b>	<b>-1.0%</b>	<b>(1.5)</b>	
<b>Earnings Per Common Share - Including One-Time Items</b>	<b>\$1.56</b>	<b>\$1.55</b>	<b>1.1%</b>		<b>\$0.01</b>
<b>Add Back One Time Items (after tax)</b>					
<b>Merger Costs</b>	<b>\$0.06</b>	<b>\$0.00</b>	<b>-</b>		<b>\$0.06</b>
<b>Legislative Impact</b>	<b>(\$0.06)</b>	<b>\$0.00</b>	<b>-</b>		<b>(\$0.06)</b>
<b>Earnings Per Common Share Excluding One-Time Items</b>	<b>\$1.56</b>	<b>\$1.55</b>	<b>0.6%</b>		<b>\$0.01</b>

\* Earnings impact figures are estimates  
Differences may exist due to rounding  
Please see additional detail on Page 5

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# DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES

## Earnings Analysis - Detail Change from 6/30/99

## 2nd Quarter After-Tax Per Share Impact\*

DTE Energy Beginning Earnings Per Share - Second Quarter 1999	\$0.76
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Adjustment from change in shares outstanding (from 145mm to 142.7mm)	\$0.01
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### Net Margin:

Strong automotive industrial sales offset cooler year-over-year weather. (Cooling degree days down 7% from 2Q 1999) Increased purchased power costs from reduced plant generation - due to planned outage at Fermi 2 nuclear plant

Regulated Net Revenues - excluding impact of legislation	\$0.00
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### Impact of Legislation on Revenue:

Net PSCR Impacts	0.06
Deferred Residential Rate Reduction	(0.04)

Net Margin including legislative impacts	\$0.02
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### Regulated Oper. & Maintenance Expense

Incremental Y2K costs	\$0.08
May storm expense	(\$0.06)
Generation maintenance and reliability work	(\$0.02)
Other	(\$0.02)

Merger Related Costs	(\$0.03)
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Regulated Oper. & Maintenance Expense	(\$0.05)
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### Depreciation & Amortization

Accelerated depreciation of Fermi 2, higher plant in service	(\$0.06)
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### Impact of Legislation on Depreciation & Amortization

Deferred Residential Rate Reduction	0.04
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Regulated Depreciation & Amortization Expense	(\$0.02)
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### Interest & Other

Nuclear decommissioning trust fund realized gain of \$9M in second quarter 1999	(\$0.04)
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### Income Taxes

	(\$0.02)
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Regulated Net Income(Detroit Edison)	(\$0.10)
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### Non-Regulated Net Income:

Primarily from increased production at DTE Energy Services coke batteries due to more temperate weather in 2000

	\$0.07
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Sale of Echelon stock

	\$0.01
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Holding Company & Capital - costs allocated to utility and subsidiaries

	\$0.02
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Total Non-Regulated	\$0.10
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Reported Earnings per Share - Including One-Time Merger and Legislative Impacts	\$0.76
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\* Differences may exist due to rounding.



**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**TRAILING 12-MONTH ANALYSIS - REPORTED EPS**  
**As of June 30, 2000**

**Detroit Edison**

	3Q	4Q	1Q	2Q	Total	EPS Growth (%)
1999	\$0.85	\$0.68	\$0.72	\$0.74	\$2.99	
2000	\$0.95	\$0.59	\$0.67	\$0.64 *	\$2.85	<b>-4.7%</b>

**Non-Regulated Subsidiaries** *(Additional Detail Provided Below)*

	3Q	4Q	1Q	2Q	Total	EPS Growth (%)
1999	\$0.07	\$0.09	\$0.10	\$0.07	\$0.33	
2000	\$0.16	\$0.15	\$0.15	\$0.15 *	\$0.61	<b>84.8%</b>

**DTE Capital / DTE Holding Company**

	3Q	4Q	1Q	2Q	Total
1999	(\$0.01)	(\$0.04)	(\$0.02)	(\$0.04)	(\$0.11)
2000	\$0.00	(\$0.07)	(\$0.01)	(\$0.02)	(\$0.10)

**DTE Energy Company**

	3Q	4Q	1Q	2Q	Total	EPS Growth (%)
1999	\$0.91	\$0.73	\$0.79	\$0.76	\$3.19	
2000	\$1.11	\$0.67	\$0.81	\$0.76 *	\$3.35	<b>5.0%</b>

\* Includes merger related costs

**Non-Regulated Earnings Per Share by Activity**

	3Q 1999	4Q 1999	1Q 2000	2Q 2000	Total
Coal Related	\$0.19	\$0.15	\$0.15	\$0.18	\$0.67
Renewables	\$0.01	\$0.01	\$0.01	\$0.01	\$0.04
Market Development and Trading	(\$0.02)	\$0.01	(\$0.01)	(\$0.01)	(\$0.03)
Other	\$0.01	\$0.02	\$0.02	\$0.00	\$0.05
<b>Total Non-Regulated Subsidiaries (excluding Plug Power)</b>	<b>\$0.19</b>	<b>\$0.19</b>	<b>\$0.17</b>	<b>\$0.18</b>	<b>\$0.73</b>
Plug Power	(\$0.03)	(\$0.04)	(\$0.02)	(\$0.03)	(\$0.12)
<b>Total Non-Regulated (including Plug Power)</b>	<b>\$0.16</b>	<b>\$0.15</b>	<b>\$0.15</b>	<b>\$0.15</b>	<b>\$0.61</b>
DTE Capital / DTE Holding Co.	\$0.00	(\$0.07)	(\$0.01)	(\$0.02)	(\$0.10)
<b>Total Non-Regulated EPS</b>	<b>\$0.16</b>	<b>\$0.08</b>	<b>\$0.14</b>	<b>\$0.13</b>	<b>\$0.51</b>

*Differences may exist due to rounding*



**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED BALANCE SHEET (PRELIMINARY/UNAUDITED)**  
(Dollars in Millions)

<b>ASSETS</b>	<b>June 30, 2000</b>	<b>Dec. 31, 1999</b>	<b>Percent Change</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	\$40	\$33	21.2%
Restricted Cash	132	131	0.8%
Accounts Receivable			
Customer (less allowance for doubtful accounts)	439	388	13.1%
Accrued Unbilled Revenues	194	166	16.9%
Other	124	144	-13.9%
Inventories (at average cost)			
Fuel	166	175	-5.1%
Materials and Supplies	165	168	-1.8%
Asset from Risk Management Activities	129	67	92.5%
Prepays and Other	116	38	205.3%
	<b>\$1,505</b>	<b>\$1,310</b>	<b>14.9%</b>
<b>Investments</b>			
Nuclear Decommissioning Trust Funds	389	361	7.8%
Other	213	211	0.9%
Plug Power	53	63	-15.9%
	<b>\$655</b>	<b>\$635</b>	<b>3.1%</b>
<b>Property</b>			
Property, Plant and Equipment	11,801	11,755	0.4%
Property under Capital Leases	221	222	-0.5%
Nuclear Fuel under Capital Lease	704	663	6.2%
Construction Work in Progress	209	106	97.2%
	<b>\$12,935</b>	<b>\$12,746</b>	<b>1.5%</b>
Less Accumulated Depreciation & Amortization	5,632	5,598	0.6%
	<b>\$7,303</b>	<b>\$7,148</b>	<b>2.2%</b>
<b>Regulatory Assets</b>	<b>\$2,776</b>	<b>\$2,935</b>	<b>-5.4%</b>
<b>Other Assets</b>	<b>\$278</b>	<b>\$288</b>	<b>-3.5%</b>
<b>Total Assets</b>	<b>\$12,517</b>	<b>\$12,316</b>	<b>1.6%</b>

The Condensed Consolidated Balance Sheet (Unaudited) should be read in conjunction with the Notes to Consolidated Financial Statements appearing in the Annual Report to Shareholders, 10K, and 10Q.



**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED BALANCE SHEET (PRELIMINARY/UNAUDITED)**

(Dollars in Millions)

<b>LIABILITIES</b>	<b>June 30, 2000</b>	<b>Dec. 31, 1999</b>	<b>Percent Change</b>
<b>Current Liabilities</b>			
Accounts Payable	\$261	\$273	-4.4%
Accrued Interest	63	57	10.5%
Dividends Payable	73	75	-2.7%
Accrued Payroll	95	97	-2.1%
Short-term Borrowings	622	387	60.7%
Income taxes	102	61	67.2%
Current Portion Long-term Debt	194	270	-28.1%
Current Portion Capital Leases	101	75	34.7%
Liability from Risk Management Activities	111	52	113.5%
Other	253	257	-1.6%
	<b>\$1,875</b>	<b>\$1,604</b>	<b>16.9%</b>
<b>Other Liabilities</b>			
Deferred Income Taxes	1,855	1,925	-3.6%
Capital Leases	107	114	-6.1%
Regulatory Liabilities	194	262	-26.0%
Other	577	564	2.3%
	<b>2,733</b>	<b>2,865</b>	<b>-4.6%</b>
<b>Long-Term Debt</b>	<b>\$3,992</b>	<b>\$3,938</b>	<b>1.4%</b>
<b>Shareholder's Equity</b>			
Common Stock, without par value, 400,000,000 shares authorized, 142,658,064 and 145,041,324 issued and outstanding, respectively	1,918	1,950	-1.6%
Retained Earnings	1,999	1,959	2.0%
<b>Total Shareholder's Equity</b>	<b>\$3,917</b>	<b>\$3,909</b>	<b>0.2%</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>\$12,517</b>	<b>\$12,316</b>	<b>1.6%</b>

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**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(PRELIMINARY/UNAUDITED)**  
(Dollars in Millions)

	<b>6 Months Ended June 30</b>	
	<b>2000</b>	<b>1999</b>
<b>Operating Activities</b>		
Net Income	\$225	\$225
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and Amortization	378	364
Other	(57)	(15)
Changes in current assets and liabilities:		
Restricted Cash	(1)	(2)
Accounts Receivable	(59)	(52)
Inventories	12	17
Payables	(8)	(2)
Prepaid Property Taxes and Other	(82)	(119)
<b>Net cash from operating activities</b>	<b>\$408</b>	<b>\$416</b>
<b>Investing Activities</b>		
Plant and Equipment Expenditures	(281)	(309)
Non-Regulated Investments	(114)	(72)
<b>Net cash used for investing activities</b>	<b>(\$396)</b>	<b>(\$381)</b>
<b>Financing Activities</b>		
Issuance of Long-term Debt	\$219	\$0
Increase in Short-term Borrowings	235	176
Redemption of Long-term Debt	(240)	(157)
Dividends on Common Stock	(149)	(149)
Repurchase of Common Stock	(70)	0
<b>Net cash used for financing activities</b>	<b>(\$5)</b>	<b>(\$130)</b>
<b>Net Increase (Decrease) in Cash and Temporary Cash Investments</b>	<b>\$7</b>	<b>(\$95)</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>\$33</b>	<b>\$130</b>
<b>Cash and Cash Equivalents at End of the Period</b>	<b>\$40</b>	<b>\$35</b>
<b>Supplementary Cash Flow Information</b>		
Interest paid (excluding interest capitalized)	\$159	\$165
Income Taxes paid	34	36
New Capital lease obligations	41	9

The Condensed Consolidated Statement of Cash Flows (Unaudited) should be read in conjunction with the Notes to Consolidated Financial Statements appearing in the Annual Report to Shareholders, 10K, and 10Q.



**The Detroit Edison Company**  
**Statement of Income (Preliminary/Unaudited)\***  
(Dollars in Millions, Except Per Share Amounts)

	3 Months - June 2000				After Tax EPS Impact *
	2000	1999	% Change	\$ Change	
<b>Operating Revenues</b>	\$1,071	\$1,006	6.5%	\$65	
<b>Operating Expenses</b>					
Fuel and Purchased power	336	277	21.3%	59	
Operation and Maintenance	272	261	4.2%	11	
Depreciation and amortization	177	173	2.3%	4	
Taxes other than income	72	70	2.9%	2	
Total Operating Expenses	\$857	\$781	9.7%	\$76	
<b>Operating Income</b>	\$214	\$225	-4.9%	(\$11)	
<b>Interest Expense and Other</b>					
Interest Expense	70	69	1.4%	1	
Other - net	5	(1)	600.0%	6	
Net Interest Expense and Other	\$75	\$68	10.3%	\$7	
<b>Income Before Income Taxes</b>	\$139	\$157	-11.5%	(\$18)	
Income Taxes	\$48	\$50	-4.0%	(\$2)	
<b>Net Income</b>	<b>\$91</b>	<b>\$107</b>	<b>-15.0%</b>	<b>(\$16)</b>	<b>(\$0.10)</b>

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**The Detroit Edison Company**  
**Statement of Income (Preliminary/Unaudited)\***  
(Dollars in Millions, Except Per Share Amounts)

	6 Months - June 2000				After Tax EPS Impact *
	2000	1999	% Change	\$ Change	
<b>Operating Revenues</b>	\$2,020	\$1,917	5.4%	\$103	
<b>Operating Expenses</b>					
Fuel and Purchased power	565	483	17.0%	82	
Operation and Maintenance	512	498	2.8%	14	
Depreciation and amortization	359	346	3.8%	13	
Taxes other than income	147	141	4.3%	6	
Total Operating Expenses	\$1,583	\$1,468	7.8%	\$115	
<b>Operating Income</b>	\$437	\$449	-2.7%	(\$12)	
<b>Interest Expense and Other</b>					
Interest Expense	139	137	1.5%	2	
Other - net	9	2	350.0%	7	
Net Interest Expense and Other	\$148	\$139	6.5%	\$9	
<b>Income Before Income Taxes</b>	\$289	\$310	-6.8%	(\$21)	
Income Taxes	\$101	\$99	2.0%	\$2	
<b>Net Income</b>	<b>\$188</b>	<b>\$211</b>	<b>-10.9%</b>	<b>(\$23)</b>	<b>(\$0.16)</b>

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**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES  
SELECTED FINANCIAL RATIOS (PRELIMINARY/UNAUDITED)**

	Twelve Months Ended June	
	2000	1999
<b>Coverage Ratios (SEC Basis):</b>		
Ratio of Earnings to Fixed Charges (SEC Basis)	2.45	2.44
Ratio of Earnings to Fixed Charges (Excluding Non-Recourse Debt Interest Expense)	2.53	2.55
Return on Average Common Equity	12.5%	12.6%
Return on Average Common Equity (Detroit Edison - Electric & Steam)	11.4%	12.4%
Common Stock Dividend Payout	62.0%	64.0%
Funds Generated Internally for Construction	122.6%	91.7%
Effective Federal Income Tax Rate	10.8%	12.8%
Book Value Per Common Share	\$27.48	\$26.00
<b>Capital Structure</b>		
<b>Traditional Method</b>	<b>2000</b>	<b>1999</b>
Common Shareholders' Equity	49.5%	48.8%
Preferred Stock	0.0%	0.0%
Deeply Subordinated Debt (QUIDS)	4.9%	5.0%
Long-Term Debt	45.6%	46.2%
Total	100%	100%
<b>Rating Agency Method</b>		
Common Shareholders' Equity	43.9%	43.2%
Preferred Stock & Deeply Subordinated Debt (QUIDS) <sup>(1)</sup>	4.3%	4.4%
Long-Term Debt <sup>(2)</sup>	51.8%	52.4%
Total	100%	100%
<b>Capital Structure (Excluding Non-Recourse Debt)</b>		
<b>Traditional Method</b>	<b>2000</b>	<b>1999</b>
Common Shareholders' Equity	50.9%	50.7%
Preferred Stock	0.0%	0.0%
Deeply Subordinated Debt (QUIDS)	5.0%	5.2%
Long-Term Debt	44.1%	44.1%
Total	100%	100%
<b>Rating Agency Method</b>		
Common Shareholders' Equity	44.5%	45.1%
Preferred Stock & Deeply Subordinated Debt (QUIDS) <sup>(1)</sup>	4.4%	4.6%
Long-Term Debt <sup>(2)</sup>	51.1%	50.3%
Total	100%	100%

<sup>(1)</sup> Includes amounts due within one year.

<sup>(2)</sup> Includes amounts due within one year, obligations under capital leases (current and non-current) and short-term debt.



### SALES ANALYSIS (GWH)

Category	3Q 1999	4Q 1999	1Q 2000	2Q 2000	2Q % Chg from 1999	2Q '00 2Q '99	Sales As % of Total
Residential	4,231	3,110	3,480	3,270	3,237	1.0%	24.6%
Commercial							
Secondary	2,834	2,545	2,570	2,727	2,683	1.6%	20.5%
Primary	2,426	2,159	2,088	2,232	2,390	-6.6%	16.8%
Total Commercial	5,260	4,704	4,658	4,959	5,073	-2.2%	37.3%
Industrial							
Automotive	2,282	2,110	2,039	2,191	1,901	15.3%	16.5%
Steel	749	705	700	637	700	-9.0%	4.8%
Other Manufacturing	1,150	1,205	1,224	1,361	1,293	5.3%	10.2%
Total Industrial	4,181	4,020	3,963	4,189	3,893	7.6%	31.5%
Other	642	694	691	614	592	3.7%	4.6%
Total System Sales	14,314	12,528	12,792	13,032	12,795	1.9%	98.1%
Interconnection	625	1,136	468	216	786	-72.5%	1.6%
Mitigation			19	40	-	0.0%	0.3%
<b>Total Sales</b>	<b>14,939</b>	<b>13,664</b>	<b>13,279</b>	<b>13,288</b>	<b>13,582</b>	<b>-2.2%</b>	<b>100.0%</b>

### Heating and Cooling Degree Day Data

	2Q 2000	2Q 1999	2Q'00 % Chg from 2Q'99	Normal	2Q'00 % Chg from Normal
Heating Degree Days	694	572	21.3%	812	-14.5%
Cooling Degree Days	238	256	-7.0%	154	54.5%