



## Investor Relations Update

August 13, 2001

### **DTE ENERGY REPORTS SECOND QUARTER EARNINGS: ON TRACK TO REACH YEAR-END 2001 EARNINGS PROJECTION**

DETROIT -- DTE Energy Co. (NYSE: DTE) today announced 2001 second quarter operating earnings of \$70 million, or \$0.48 per basic and diluted share, excluding the impact of merger restructuring charges and goodwill amortization. Earnings for the 2000 second quarter were \$108 million, or \$0.76 per basic share. Absent the positive impacts of the fuel clause suspension related to Michigan's June 2000 restructuring legislation of \$0.27 per share, the quarter is comparable to last year. The company remains on track to reach its previously stated year-end earnings projection of \$3.50 to \$3.60 per share excluding the impact of merger restructuring charges and goodwill amortization.

DTE Energy's reported earnings for the second quarter 2001 were an \$87 million loss, or \$0.60 per basic and diluted share, including the impact of merger restructuring charges and goodwill amortization. During the second quarter, the company recorded a \$236 million one-time, before-tax restructuring charge (\$153 million after-tax) for employee separation costs related to the MCN merger.

The company was successful in offsetting the impacts of the legislatively-mandated 5 percent authorized rate reduction and fuel clause suspension by aggressively managing its fuel and purchased power expenses during the quarter. As a result, electric gross margin remained flat due to reduced coal and nuclear unit costs, and reduced purchases of energy at higher-than-average power supply costs.

"While Michigan's 2000 electric restructuring legislation has caused the distribution of quarterly earnings to shift significantly, we expect to reach our year-end 2001 earnings projection," said Anthony F. Earley Jr., DTE Energy chairman and chief executive officer. "We remain focused on building a diverse portfolio of profitable non-regulated businesses, which are on track to contribute an estimated \$130 million in net income by year-end."

Earley said that the company's non-regulated businesses continue to play an important role in DTE Energy's future success. In line with the company's growth strategy, DTE Energy Technologies recently completed the successful testing of Pratt & Whitney/Turbo Genset 400 kW miniturbine, while DTE Energy Services began construction on a jointly owned 320-megawatt (MW) natural gas-fired electric power generating plant in the Chicago area.



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August 13, 2001

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Several factors impacting second quarter 2001 earnings, compared with second quarter 2000 results, included:

- Operating merger impacts, such as the contribution from DTE Energy Gas operations (formerly MCN Energy), interest expense and additional shares outstanding. Merger synergies are expected to contribute to third and fourth quarter performance.
- Lower electric revenues due to the legislatively-mandated suspension of the company's fuel cost recovery mechanism and the authorized rate reduction, lower electric sales due to a decrease in auto and steel production and mild weather.
- Lower fuel and purchased power expenses primarily due to reduced purchase of energy from increased generation and lower demand.
- Higher earnings per share of approximately \$0.08 due to unrealized FAS 133 gains. FAS 133, which became effective January 1, 2001, requires that companies mark-to-market certain electric and gas sales and purchase contracts in the current reporting period.

Following the fuel clause suspension included in Michigan's June 2000 restructuring legislation, DTE Energy expected the distribution of yearly earnings to shift significantly. The seasonality of earnings is now tied to the cost of power, as well as overall sales levels. Summer months with a higher associated cost of power will have generally lower margins, whereas winter months will have generally higher margins than historically recorded. In addition, the acquisition of MCN will have the effect of higher earnings in the first and fourth quarters due to the seasonal nature of gas sales.

Third and fourth quarter earnings are expected to benefit from continued non-regulated growth, contributions from merger synergies, and additional earnings from DTE Energy Gas operations.

"Certainly the highlight of the second quarter was successfully completing the merger with MCN Energy," Earley said. "It was a tremendous undertaking and a major milestone in the history of our company. We now will begin to benefit from projected cost synergies and a positive DTE Energy Gas earnings stream during the remainder of the year. As we integrate these two great companies we remain focused on providing sustainable growth and creating attractive value opportunities for our shareholders."



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August 13, 2001

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Other second quarter highlights included:

- A memorandum of understanding between DTE Energy Technologies and Samsung Techwin of Seoul, Korea, to form energy|now™ Korea.
- DTE Energy Technologies' acquisition of Alliance Energy Companies Ltd., a distributor of standby and distributed generation products and services with a network of sales offices in the U.S. and Canada.
- Successful completion of ISO 14001 certification at Detroit Edison's Trenton Channel Power Plant. The plant is the first Michigan-based power generating facility to achieve this internationally recognized environmental standard.
- Production of pipeline-quality gas from DTE Biomass Energy's recently purchased landfill gas processing facility in Three Rivers, Mich. This move broadens our portfolio of energy uses from landfill gas.
- DTE Energy Services has begun construction on two merchant power generation facilities: 320-megawatt facility in East China Township, Mich. and a jointly-owned 320-megawatt facility in Crete, Ill.
- DTE Energy Services is constructing a utility services plant to serve an auto manufacturing facility in northern New York for a major automotive company.

DTE Energy is a Detroit-based diversified energy company involved in the development and management of energy-related businesses and services nationwide. DTE Energy's principal operating subsidiaries are Detroit Edison, an electric utility serving 2.1 million customers in Southeastern Michigan, and Michigan Consolidated Gas Co. (MichCon), a natural gas utility serving 1.2 million customers in Michigan. Information about DTE Energy is available at <http://www.dteenergy.com>.



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

(Dollars in Millions, Except Per Share Amounts)

	3 Months - June			6 Months - June		
	2001*	2000	% Change	2001*	2000	% Change
<b>Operating Revenues</b>						
Detroit Edison	\$992	\$1,071	-7.4%	\$2,016	\$2,020	-0.2%
MichCon	43	-	-	43	-	-
Non-Regulated	755	357	111.5%	1,573	590	166.6%
<b>Total Operating Revenues</b>	<b>\$1,790</b>	<b>\$1,428</b>	<b>25.4%</b>	<b>\$3,632</b>	<b>\$2,610</b>	<b>39.2%</b>
<b>Operating Expenses</b>						
Fuel & purchased power						
Detroit Edison	\$354	\$336	5.4%	\$623	\$565	10.3%
MichCon	28	-	-	28	-	-
Non-Regulated	526	243	116.5%	1,205	358	236.6%
Operation and maintenance	469	386	21.5%	854	741	15.2%
Depreciation and amortization	188	186	1.1%	372	378	-1.6%
Taxes other than income	77	74	4.1%	158	150	5.3%
<b>Restructuring Charge</b>	<b>236</b>	<b>-</b>	<b>-</b>	<b>236</b>	<b>-</b>	<b>-</b>
<b>Total Operating Expenses</b>	<b>\$1,878</b>	<b>\$1,225</b>	<b>53.3%</b>	<b>\$3,476</b>	<b>\$2,192</b>	<b>58.6%</b>
<b>Operating Income</b>	<b>(\$88)</b>	<b>\$203</b>	<b>-143.4%</b>	<b>\$156</b>	<b>\$418</b>	<b>-62.7%</b>
<b>Interest Expense and Other</b>						
Interest Expense	\$104	\$82	26.8%	\$195	\$165	18.2%
Preferred stock dividend of subsidiary	2	-	-	2	-	-
Other Expense - net	(5)	1	-600.0%	(6)	3	-300.0%
<b>Total Interest Expense and Other</b>	<b>\$101</b>	<b>\$83</b>	<b>21.7%</b>	<b>\$191</b>	<b>\$168</b>	<b>13.7%</b>
<b>Income Before Income Taxes</b>	<b>(\$189)</b>	<b>\$120</b>	<b>-257.7%</b>	<b>(\$35)</b>	<b>\$250</b>	<b>-114.0%</b>
Income Taxes	(102)	12	-950.0%	(83)	25	-432.0%
Cumulative Effect of Accounting Change	-	-	-	(3)	-	-
<b>Net Income - Including One Time Restructuring Charge</b>	<b>(\$87)</b>	<b>\$108</b>	<b>-180.6%</b>	<b>\$51</b>	<b>\$225</b>	<b>-77.2%</b>
ADD BACK: After Tax Restructuring Charge & Goodwill	<b>\$157</b>	<b>-</b>		<b>\$157</b>	<b>-</b>	
<b>Net Income</b>	<b>\$70</b>	<b>\$108</b>	<b>-35.4%</b>	<b>\$208</b>	<b>\$225</b>	<b>-7.6%</b>
<b>Average Common Shares Outstanding</b>	<b>145</b>	<b>143</b>	<b>1.0%</b>	<b>144</b>	<b>143</b>	<b>0.7%</b>
<b>Basic Earnings per Share Excluding Restructuring Charge</b>	<b>\$0.48</b>	<b>\$0.76</b>		<b>\$1.44</b>	<b>\$1.57</b>	

\* Only one month (June) of MichCon and other former MCN subsidiaries are consolidated into DTE

The Condensed Consolidated Statement of Income (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

### Earnings Analysis

2nd Quarter  
After Tax  
Per Share Impact

<b>Detroit Edison Q2 2000 EPS</b>	<b>\$0.64</b>
<b>Effect of PSCR Freeze</b>	\$ (0.27)
<b>Net Revenue Margin:</b>	
5% Mandated Rate Reduction	(0.15)
Revenue - lower industrial sales, milder weather	(0.21)
Fuel and Purchased Power - Reduced purchases due to increased generation and lower demand	0.34
Unrealized Gains/(Losses) FAS 133	(0.14)
<b>Operating &amp; Maintenance Expense</b>	
Increased generation reliability costs	(0.04)
Low Income Energy Fund Contribution (component of securitization)	(0.04)
<b>Depreciation &amp; Amortization</b> - Removal of Fermi Depreciation and Amortization due to securitization	0.07
<b>Interest, Taxes Other Than Income &amp; Other</b> - Increased property taxes, securitization bonds	(0.02)
<b>Income Taxes</b> - Change in effective tax rate	0.03
	<b>(0.42)</b>
<b>Detroit Edison Operating EPS Q2 2001 - Excluding restructuring charge</b>	<b>\$0.22</b>
<b>MichCon - June 2000 - not included in DTE Energy 2000 results</b>	<b>\$0.00</b>
MichCon - One Month June 2001	0.01
<b>MichCon Operating EPS Q2 2001 - Excluding restructuring charge</b>	<b>\$0.01</b>
<b>Non-Regulated Q2 2000 EPS</b>	<b>\$0.15</b>
DTE CoEnergy Trading (primarily FAS 133 gains)	\$ 0.16
DTE Energy Trading	0.01
DTE Energy Services	0.01
Other Non-Regulated (primarily DTE Generation)	0.03
	<b>0.21</b>
<b>Non-Regulated Reported EPS Q2 2001</b>	<b>\$0.36</b>
<b>Holding Company Q2 2000 EPS</b>	<b>(\$0.02)</b>
DTE Holding Company - primarily merger interest expense	<b>(0.06)</b>
<b>Holding Company Reported EPS Q2 2001</b>	<b>(\$0.08)</b>
<b>One-Time Items and Adjustments</b>	
Change in Average Shares Outstanding	<b>(0.02)</b>
One-Time Merger Restructuring Charge (after tax)	<b>(1.05)</b>
Goodwill	<b>(0.03)</b>
<b>DTE Energy Reported EPS Q2 2001</b>	<b>(\$0.60)</b>
<b>Add Back:</b>	
One-Time Merger Restructuring Charge (after tax)	<b>1.05</b>
Goodwill	<b>0.03</b>
<b>DTE Energy Operating EPS Q2 2001</b>	<b>\$0.48</b>

Differences may exist due to rounding.

## Non-Regulated Net Income

	1Q 2000	2Q 2000	3Q 2000	4Q 2000	Total 2000	1Q 2001	2Q 2001
<b>Energy Services</b>							
Coal Based Fuels	\$21.3	\$22.8	\$25.2	\$26.1	<b>\$95.3</b>	\$33.7	\$25.4
On Site Energy Projects	1.0	0.6	1.3	1.1	<b>4.0</b>	2.0	2.4
Merchant Generation	(0.6)	(1.3)	10.6	(1.3)	<b>7.5</b>	(1.6)	6.3
Corporate Overheads	(2.4)	(2.0)	(3.5)	(2.0)	<b>(9.9)</b>	(4.2)	(7.9)
<b>Total Energy Services</b>	<b>\$19.4</b>	<b>\$20.1</b>	<b>\$33.5</b>	<b>\$23.8</b>	<b>\$96.9</b>	<b>\$29.9</b>	<b>\$26.2</b>
<b>Coal Services</b>	<b>\$1.8</b>	<b>\$1.5</b>	<b>\$1.7</b>	<b>\$2.8</b>	<b>\$7.8</b>	<b>\$3.1</b>	<b>\$5.3</b>
<b>Biomass Energy</b>	<b>\$1.3</b>	<b>\$0.6</b>	<b>\$1.6</b>	<b>\$1.7</b>	<b>\$5.2</b>	<b>\$1.4</b>	<b>\$1.0</b>
<b>Energy Trading</b>	<b>\$5.6</b>	<b>\$0.7</b>	<b>(\$0.3)</b>	<b>\$3.7</b>	<b>\$9.6</b>	<b>\$1.5</b>	<b>\$1.3</b>
<b>DTE Energy Gas</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$23.1</b>
<b>Energy Technologies</b>	<b>(\$4.2)</b>	<b>(\$0.7)</b>	<b>(\$1.7)</b>	<b>(\$3.6)</b>	<b>(\$10.3)</b>	<b>(\$1.9)</b>	<b>(\$2.7)</b>
<b>Plug Power</b>	<b>(\$2.6)</b>	<b>(\$3.8)</b>	<b>(\$4.5)</b>	<b>(\$6.2)</b>	<b>(\$17.0)</b>	<b>(\$6.5)</b>	<b>(\$3.5)</b>
<b>Other</b>	<b>\$0.6</b>	<b>\$3.2</b>	<b>(\$0.4)</b>	<b>(\$11.7)</b>	<b>(\$8.3)</b>	<b>(\$0.2)</b>	<b>\$1.7</b>
<b>Total Non-Regulated</b>	<b>\$21.9</b>	<b>\$21.5</b>	<b>\$29.9</b>	<b>\$10.6</b>	<b>\$83.9</b>	<b>\$27.2</b>	<b>\$52.4</b>

*Differences may exist due to rounding*

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

<b>ASSETS</b>	<b>June 30 2001</b>	<b>Dec. 31 2000</b>	<b>Percent Change</b>	<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>June 30 2001</b>	<b>Dec. 31 2000</b>	<b>Percent Change</b>
<b>Current Assets</b>				<b>Current Liabilities</b>			
Cash and Cash Equivalents	\$342	\$64	434.4%	Accounts Payable	\$876	\$404	116.8%
Restricted Cash	90	88	2.3%	Accrued Interest	123	59	108.5%
Accounts Receivable				Dividends Payable	89	73	21.9%
Customer (less allowance for doubtful accounts of \$49 and \$21, respectively)	870	510	70.6%	Accrued Payroll	109	103	5.8%
Accrued Unbilled Revenues	198	188	5.3%	Short-term Borrowings	596	503	18.5%
Other	252	140	80.0%	Income taxes	-	56	-100.0%
Inventories (at average cost)				Current Portion Long-term Debt	425	256	66.0%
Fuel and Gas	267	193	38.3%	Current Portion Capital Leases	81	41	97.6%
Materials and Supplies	166	142	16.9%	Liab. From Risk Mgmt & Trading	630	280	125.0%
Asset from Risk Mgmt & Trading Activities	603	289	108.7%	Other	456	272	67.6%
Income Tax Receivable	367	-	-		<b>\$3,385</b>	<b>\$2,047</b>	<b>65.4%</b>
Other	104	38	173.7%				
	<b>\$3,259</b>	<b>\$1,652</b>	<b>97.3%</b>				
<b>Investments</b>				<b>Other Liabilities</b>			
Nuclear Decommissioning Trust Funds	\$404	\$398	1.5%	Deferred Income Taxes	\$1,886	\$1,801	4.7%
Other	740	232	219.0%	Capital Leases	97	145	-33.1%
Plug Power	25	37	-32.4%	Regulatory Liabilities	138	3	4500.0%
	<b>\$1,169</b>	<b>\$667</b>	<b>75.3%</b>	Unamortized investment tax credit	187	167	12.0%
				Liab. From Risk Mgmt & Trading	352	-	-
<b>Property</b>				Other	1,334	590	126.1%
Property, Plant and Equipment	\$16,281	\$12,236	33.1%		<b>\$3,994</b>	<b>\$2,706</b>	<b>47.6%</b>
Property under Capital Leases	232	221	5.0%				
Nuclear Fuel under Capital Lease	716	705	1.6%	<b>Long-Term Debt</b>	<b>\$5,540</b>	<b>\$3,894</b>	<b>42.3%</b>
	<b>\$17,229</b>	<b>\$13,162</b>	<b>30.9%</b>	<b>Securitization Bonds</b>	<b>\$1,710</b>	<b>\$0</b>	<b>-</b>
Less: Acc. Depreciation & Amortization	7,799	5,775	35.0%	<b>DTEE-Obligated Mandatorily Redeemable Preferreds</b>	<b>\$274</b>	<b>\$0</b>	<b>-</b>
	<b>\$9,430</b>	<b>\$7,387</b>	<b>27.7%</b>				
<b>Goodwill</b>	<b>\$1,801</b>	<b>\$24</b>	<b>-</b>	<b>Shareholders' Equity</b>	<b>\$2,885</b>	<b>\$1,918</b>	<b>50.4%</b>
<b>Securitized Regulatory Assets</b>	<b>\$1,717</b>	<b>-</b>	<b>-</b>	Common Stock, without par value, 400,000,000 shares authorized, 164,820,403 and 142,651,172 issued and outstanding, respectively			
<b>Regulatory Assets</b>	<b>\$1,156</b>	<b>\$2,686</b>	<b>-57.0%</b>	Accum. other comprehensive loss	(\$82)	\$0	-
<b>Other Assets</b>				Retained Earnings	1,814	2,097	-13.5%
Asset from risk mgmt and trading activities	167	-	-				
Other	821	246	233.7%	<b>Total Shareholders' Equity</b>	<b>\$4,617</b>	<b>\$4,015</b>	<b>15.0%</b>
	<b>\$988</b>	<b>\$246</b>	<b>301.6%</b>				
<b>Total Assets</b>	<b>\$19,520</b>	<b>\$12,662</b>	<b>54.2%</b>	<b>Total Liabilities and Shareholders' Equity</b>	<b>\$19,520</b>	<b>\$12,662</b>	<b>54.2%</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**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(PRELIMINARY/UNAUDITED)**

(Dollars in Millions)

	<b>Six Months Ended June 30</b>	
	<b>2001</b>	<b>2000</b>
<b>Operating Activities</b>		
Net Income	\$51	\$225
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and Amortization	372	378
Restructuring Charge	223	-
Other	(142)	(57)
Changes in current assets and liabilities:		
Restricted Cash	28	(1)
Accounts Receivable	62	(59)
Inventories	(5)	12
Payables	(43)	(8)
Prepaid Property Taxes and Other	(181)	(82)
<b>Net cash from operating activities</b>	<b>\$365</b>	<b>\$408</b>
<b>Investing Activities</b>		
Proceeds from sale of Assets	\$53	-
Plant and Equipment Expenditures	(563)	(396)
Acquisition of MCN, net of cash acquired	(1,201)	-
<b>Net cash used for investing activities</b>	<b>(1,711)</b>	<b>(396)</b>
<b>Financing Activities</b>		
Issuance of Long-term Debt	\$3,097	\$219
Increase/(Decrease) in Short-term Borrowings	(368)	235
Increase/(Decrease) in restricted cash for debt redemptions	(30)	-
Redemption of Long-term Debt	(658)	(240)
Repurchase of Common Stock	(270)	(70)
Dividends on Common Stock	(147)	(149)
<b>Net cash used for financing activities</b>	<b>\$1,624</b>	<b>(\$5)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$278</b>	<b>\$7</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>\$64</b>	<b>\$33</b>
<b>Cash and Cash Equivalents at End of the Period</b>	<b>\$342</b>	<b>\$40</b>
<b>Supplementary Cash Flow Information</b>		
Interest paid (excluding interest capitalized)	\$149	\$159
Income Taxes paid	45	34
<b>Noncash Investing and Financing Activities</b>		



**Detroit Edison**  
**Statement of Income (Preliminary/Unaudited)**

(Dollars in Millions, Except Per Share Amounts)

	3 Months - June 30			6 Months - June 30		
	2001	2000	% Change	2001	2000	% Change
<b>Operating Revenues</b>	\$992	\$1,071	-7.4%	\$2,016	\$2,020	-0.2%
<b>Operating Expenses</b>						
Fuel and Purchased power	\$354	\$336	5.4%	\$623	\$565	10.3%
Operation and Maintenance	290	272	6.6%	546	512	6.6%
Depreciation and amortization	160	177	-9.6%	334	359	-7.0%
Taxes other than income	72	72	0.0%	151	147	2.7%
<b>Restructuring Charge</b>	<b>163</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>-</b>	<b>-</b>
Total Operating Expenses	\$1,039	\$857	21.2%	\$1,817	\$1,583	14.8%
<b>Operating Income</b>	<b>(\$47)</b>	<b>\$214</b>	<b>-122.0%</b>	<b>\$199</b>	<b>\$437</b>	<b>-54.5%</b>
<b>Interest Expense and Other</b>						
Interest Expense	\$78	\$70	11.4%	\$150	\$139	7.9%
Other - net	-	5	-100.0%	5	9	-44.4%
Total Interest Expense and Other	\$78	\$75	4.0%	\$155	\$148	4.7%
<b>Income Before Income Taxes</b>	<b>(\$125)</b>	<b>\$139</b>	<b>-189.9%</b>	<b>\$44</b>	<b>\$289</b>	<b>-84.8%</b>
Income Taxes	(\$48)	\$48	-200.0%	\$5	\$101	-95.0%
Income (Loss) Before Cumulative Effect of a Change in Accounting Principle	(\$77)	\$91	-184.6%	\$39	\$188	-79.3%
Cumulative Effect of a Change in Accounting Principle, Net of Tax	-	-	-	(\$3)	-	-
<b>Net Income Before One Time Items</b>	<b>(\$77)</b>	<b>\$91</b>	<b>-184.6%</b>	<b>\$36</b>	<b>\$188</b>	<b>-80.9%</b>

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

**NOTE: DTE ENERGY CONSOLIDATED RESULTS ONLY INCLUDES ONE MONTH (JUNE) RESULTS**

**Michigan Consolidated Gas (MichCon)  
Statement of Income (Preliminary/Unaudited)**

(Dollars in Millions, Except Per Share Amounts)

	3 Months - June 30			6 Months - June 30		
	2001	2000	% Change	2001	2000	% Change
<b>Operating Revenues</b>	\$182	\$188	-3.2%	\$658	\$630	4.4%
<b>Operating Expenses</b>						
Cost of Gas	\$145	\$70	107.1%	\$353	\$287	23.0%
Operation and Maintenance	71	58	22.4%	135	122	10.7%
Depreciation and Amortization	27	26	3.8%	53	52	1.9%
Property and Other Taxes	10	14	-28.6%	27	33	-18.2%
<b>Merger and Restructuring Charges</b>	<b>96</b>	<b>1</b>	<b>9500.0%</b>	<b>97</b>	<b>1</b>	<b>9600.0%</b>
Total Operating Expenses	\$349	\$169	106.5%	\$665	\$495	34.3%
<b>Operating Income</b>	<b>(\$167)</b>	<b>\$18</b>	<b>-1027.8%</b>	<b>(\$7)</b>	<b>\$135</b>	<b>-105.2%</b>
<b>Interest Expense and Other</b>						
Interest Expense	\$11	\$14	-21.4%	\$23	\$28	-17.9%
Other - net	7	(1)	800.0%	5	(1)	600.0%
Total Interest Expense and Other	\$18	\$13	38.5%	\$28	\$26	7.7%
<b>Income Before Income Taxes</b>	<b>(\$185)</b>	<b>\$6</b>	<b>-3183.3%</b>	<b>(\$35)</b>	<b>\$109</b>	<b>-132.1%</b>
Income Taxes	(\$64)	\$2	-3300.0%	(\$12)	\$38	-131.6%
<b>Net Income Including One-Time Item</b>	<b>(\$120)</b>	<b>\$4</b>	<b>-3100.0%</b>	<b>(\$23)</b>	<b>\$71</b>	<b>-132.4%</b>

The Condensed Consolidated Statement of Income (Unaudited) should be read in conjunction with the Notes to Consolidated Financial Statements

**NOTE: DTE ENERGY CONSOLIDATED RESULTS ONLY INCLUDES ONE MONTH (JUNE) RESULTS**

## SALES ANALYSIS

### Electric - Detroit Edison (MWh)

Category	2nd Quarter			% Change from 2000
	1999	2000	2001	
Residential	3,237,138	3,269,894	<b>3,235,843</b>	-1.0%
Commercial	5,072,718	4,959,015	<b>4,752,594</b>	-4.2%
Industrial	3,893,212	4,188,958	<b>3,649,091</b>	-12.9%
Other	592,364	614,104	<b>628,926</b>	2.4%
Total System Sales	12,795,432	13,031,971	<b>12,266,454</b>	-5.9%
Interconnection	786,159	216,434	<b>33,303</b>	-84.6%
Mitigation		40,024	<b>0</b>	N/A
<b>Total Sales</b>	<b>13,581,591</b>	<b>13,288,429</b>	<b>12,299,757</b>	-7.4%

### Gas Distribution - MichCon (MCF)

Category	2nd Quarter			% Change from 2000
	1999	2000	2001	
Residential	18,314,510	18,759,714	<b>17,849,568</b>	-4.9%
Commercial	4,997,489	5,192,206	<b>5,489,233</b>	5.7%
Industrial	273,684	308,410	<b>330,247</b>	7.1%
<b>Total Sales</b>	<b>23,585,683</b>	<b>24,260,330</b>	<b>23,669,048</b>	-2.4%

### Heating and Cooling Degree Day Data

	2nd Quarter			% Change from 2000
	1999	2000	2001	
Heating Degree Days	572	694	<b>586</b>	<b>-15.6%</b>
Normal	812	812	<b>812</b>	
% over (under) Normal	-30%	-15%	<b>-28%</b>	
Cooling Degree Days	256	238	<b>233</b>	<b>-2.1%</b>
Normal	154	154	<b>154</b>	
% over (under) Normal	66%	55%	<b>51%</b>	