



**DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENT OF OPERATIONS (PRELIMINARY/UNAUDITED)**  
(in Millions, Except per Share Amounts)

	3 Months - December			12 Months - December		
	2003	2002	% Change	2003	2002	% Change
<b>Operating Revenues</b>	\$ 1,692	\$ 1,704	-1%	\$ 7,041	\$ 6,729	5%
<b>Operating Expenses</b>						
Fuel, purchased power and gas	483	460	5%	2,241	2,099	7%
Operation and maintenance	763	743	3%	3,032	2,547	19%
Depreciation, depletion and amortization	140	164	-15%	687	737	-7%
Taxes other than income	79	91	-13%	334	352	-5%
	<u>1,465</u>	<u>1,458</u>	-	<u>6,294</u>	<u>5,735</u>	<u>10%</u>
<b>Operating Income</b>	<u>227</u>	<u>246</u>	<u>-8%</u>	<u>747</u>	<u>994</u>	<u>-25%</u>
<b>Other (Income) and Deductions</b>						
Interest expense	134	143	-6%	546	569	-4%
Interest income	(15)	(9)	-67%	(37)	(29)	28%
Minority interest	(19)	(14)	-36%	(91)	(37)	n/m
Other income	(63)	(40)	-58%	(138)	(62)	n/m
Other expenses	28	20	40%	110	51	n/m
	<u>65</u>	<u>100</u>	<u>-35%</u>	<u>390</u>	<u>492</u>	<u>-21%</u>
<b>Income Before Income Taxes</b>	<u>162</u>	<u>146</u>	<u>11%</u>	<u>357</u>	<u>502</u>	<u>-29%</u>
<b>Income Tax Benefit</b>	<u>(67)</u>	<u>(48)</u>	<u>-40%</u>	<u>(123)</u>	<u>(84)</u>	<u>-46%</u>
<b>Income from Continuing Operations</b>	<u>229</u>	<u>194</u>	<u>18%</u>	<u>480</u>	<u>586</u>	<u>-18%</u>
<b>Discontinued Operations - ITC</b>						
Income from operations	-	9	-	5	46	n/m
Gain on sale	-	-	-	63	-	-
	<u>-</u>	<u>9</u>	<u>-</u>	<u>68</u>	<u>46</u>	<u>n/m</u>
<b>Cumulative Effect of Accounting Changes</b>						
Asset retirement obligations	-	-	-	(11)	-	-
Energy trading activities	-	-	-	(16)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27)</u>	<u>-</u>	<u>-</u>
<b>Reported Net Income</b>	<u>\$ 229</u>	<u>\$ 203</u>	<u>13%</u>	<u>\$ 521</u>	<u>\$ 632</u>	<u>-18%</u>
<b>Reported Earnings per Diluted Share</b>	<u>\$ 1.36</u>	<u>\$ 1.21</u>	<u>13%</u>	<u>\$ 3.09</u>	<u>\$ 3.83</u>	<u>-19%</u>
<b>Significant Items Impacting Comparability</b>						
<b>Unusual Items</b>						
August 2003 Blackout Costs	-	-	-	0.10	-	-
Loss on Sale of Steam Heating Business	-	-	-	0.08	-	-
Contribution to DTE Energy Foundation	-	-	-	0.06	-	-
Disallowance of Gas Costs	-	-	-	0.10	-	-
Energy Trading Activities (EITF 98-10 flowback)	-	-	-	(0.10)	-	-
Effective Tax Rate Adjustment	(0.42)	0.03	n/m	-	-	-
<b>Discontinued Operations</b>						
Income from operations of ITC	-	(0.05)	-	(0.03)	(0.28)	n/m
Gain on sale of ITC	-	-	-	(0.37)	-	-
<b>Cumulative Effect of Accounting Changes</b>						
Asset Retirement Obligations (FAS 143)	-	-	-	0.07	-	-
Energy Trading Activities (EITF 98-10 implementation)	-	-	-	0.09	-	-
<b>Operating Earnings per Diluted Share</b>	<u>\$ 0.94</u>	<u>\$ 1.19</u>	<u>-21%</u>	<u>\$ 3.09</u>	<u>\$ 3.55</u>	<u>-13%</u>
<b>Average Common Shares</b>						
Basic	168	167	1%	168	164	2%
Diluted	169	168	1%	168	165	2%
<b>Dividends Declared per Common Share</b>	\$ 0.515	\$ 0.515	-	\$ 2.06	\$ 2.06	-

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

n/m - not meaningful



## Net Income Summary

(Preliminary/Unaudited)

Net Income (\$millions)	Reported 2003	Adjustments	Operating 2003	Operating 2002	Variance
<b>Energy Resources</b>					
<b>Regulated - Power Generation</b>	\$235	\$16 A	\$251	\$241	\$10
<b>Non-Regulated</b>					
Energy Services					
Coal Based Fuels					
Synfuels	197	-	197	136	61
Coke Batteries	(7)	-	(7)	52	(59)
On Site Energy Projects	9	-	9	9	-
Merchant Generation	4	-	4	(5)	9
Other	(4)	-	(4)	(11)	7
Coal Services	8	-	8	13	(5)
Biomass Energy	6	-	6	7	(1)
Energy Trading & CoEnergy Portfolio	45	(16) B	29	25	4
Energy Resources Overheads	(16)	-	(16)	(12)	(4)
<b>Total Energy Resources Non-Regulated</b>	242	(16)	226	214	12
<b>Total Energy Resources</b>	477	-	477	455	22
<b>Energy Distribution</b>					
<b>Regulated - Power Distribution</b>	17	14 C	31	111	(80)
<b>Non Regulated (Energy Technologies)</b>	(15)	-	(15)	(16)	1
<b>Total Energy Distribution</b>	2	14	16	95	(79)
<b>Energy Gas</b>					
<b>Regulated</b>	29	17 D	46	66	(20)
<b>Non-Regulated</b>	29	-	29	26	3
<b>Total Energy Gas</b>	58	17	75	92	(17)
<b>Holding Company &amp; Other</b>					
<b>Energy Technology Investments</b>	(9)	-	(9)	(10)	1
<b>Other</b>	(48)	10 E	(38)	(46)	8
<b>Total Holding Company &amp; Other</b>	(57)	10	(47)	(56)	9
<b>Discontinued Operations - ITC</b>					
Income from Operations	5	(5) F	-	-	-
Gain on Sale	63	(63) G	-	-	-
<b>Cumulative Effect of Accounting Changes</b>					
Asset Retirement Obligations (FAS 143)	(11)	11	-	-	-
Energy Trading Activities (EITF 98-10 implementation cumulative effect)	(16)	16	-	-	-
<b>Total Net Income</b>	<b>\$521</b>	<b>-</b>	<b>\$521</b>	<b>\$586</b>	<b>(\$65)</b>
<b>Total EPS</b>	<b>\$3.09</b>	<b>-</b>	<b>\$3.09</b>	<b>\$3.55</b>	<b>(\$0.46)</b>
<b>Diluted Shares Outstanding (millions)</b>	168		168	165	

\* Includes Energy Technology Investments

**Key:**

- A - Blackout Costs
- B - Adjustment for rescission of EITF 98-10 Accounting Change (flow back)
- C - Loss on sale of steam heating business
- D - Disallowance of gas costs
- E - Contribution to DTE Energy Foundation
- F - Adjustment for Discontinued Operations (ITC)
- G - Gain on Sale of ITC



## DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES

### Earnings Variance Analysis (Preliminary/Unaudited)

<b>2002 Reported Earnings per Share</b>		<b>\$3.83</b>
Adjust for discontinued operations (ITC)		(0.28)
<b>2002 Operating Earnings per Share</b>		<b>\$3.55</b>
<b>Regulated Electric</b>		<b>(0.45)</b>
<b>Gross Margin</b>	<b>(0.80)</b>	
Weather impact	(0.44)	
Incremental losses to Choice	(0.27)	
Other	(0.09)	
<b>O&amp;M Expense</b>	<b>(0.21)</b>	
Benefits Cost	(0.32)	
Uncollectable Expense	(0.07)	
Storm Cost	(0.13)	
Cost reductions - generation & corp support costs, lower incentive costs	0.31	
<b>Depreciation, Interest, Taxes &amp; Other</b>	<b>0.56</b>	
Regulatory Deferral - Choice	0.19	
Regulatory Deferral - Clean Air	0.12	
Interest - lower borrowing costs (excluding clean air related)	0.05	
Other - lower property and single business taxes, other	0.20	
<b>Regulated Gas</b>		<b>(0.13)</b>
<b>Gross Margin</b>	<b>0.08</b>	
Weather impact	0.06	
Other	0.02	
<b>O&amp;M Expense</b>	<b>(0.28)</b>	
Benefits Cost	(0.12)	
Uncollectable Expense	(0.07)	
Other - injuries and damages, customer service initiatives	(0.09)	
<b>Non Regulated</b>		<b>0.05</b>
<b>Energy Resources</b> - higher year-over-year synfuel earnings, power contract gains	<b>0.04</b>	
<b>Midstream Gas</b> - gain on sale of Portland pipeline interest	<b>0.01</b>	
<b>Corporate and Other</b> - primarily loss reserves in 2002		<b>0.07</b>
<b>2003 Operating Earnings per Share</b>		<b>\$3.09</b>
Net Adjustment Operating to Reported		-
<b>2003 Reported Earnings per Share</b>		<b>\$3.09</b>



## Net Income Summary

(Preliminary/Unaudited)

(in millions, except per share amounts)

	Reported Q4 2003	Adjustments	Operating Q4 2003	Operating Q4 2002	Variance
<b>Energy Resources</b>					
<b>Regulated - Power Generation</b>	\$ 103	\$ -	\$ 103	\$ 71	\$ 32
<b>Non-Regulated</b>					
Energy Services					
Coal Based Fuels					
Synfuels	48	-	48	77	(29)
Coke Batteries	2	-	2	2	-
On Site Energy Projects	3	-	3	2	1
Merchant Generation	(4)	-	(4)	(3)	(1)
Other	-	-	-	(4)	4
Coal Services	1	-	1	6	(5)
Biomass Energy	1	-	1	2	(1)
Energy Trading & CoEnergy Portfolio	(7)	-	(7)	13	(20)
Energy Resources Overheads	(4)		(4)	-	(4)
<b>Total Energy Resources Non-Regulated</b>	<u>\$ 40</u>	<u>\$ -</u>	<u>\$ 40</u>	<u>\$ 95</u>	<u>\$ (55)</u>
<b>Total Energy Resources</b>	<u>\$ 143</u>	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ 166</u>	<u>\$ (23)</u>
<b>Energy Distribution</b>					
<b>Regulated - Power Distribution</b>	\$ 2	\$ -	\$ 2	\$ 14	\$ (12)
<b>Non Regulated (Energy Technologies)</b>	<u>(3)</u>	<u>-</u>	<u>(3)</u>	<u>(5)</u>	<u>2</u>
<b>Total Energy Distribution</b>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 9</u>	<u>\$ (10)</u>
<b>Energy Gas</b>					
<b>Regulated</b>	\$ 22	\$ -	\$ 22	\$ 36	\$ (14)
<b>Non-Regulated</b>	<u>4</u>	<u>-</u>	<u>4</u>	<u>5</u>	<u>(1)</u>
<b>Total Energy Gas</b>	<u>\$ 26</u>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 41</u>	<u>\$ (15)</u>
<b>Holding Company &amp; Other</b>					
<b>Energy Technology Investments</b>	\$ -	\$ -	\$ -	\$ (1)	\$ 1
<b>Other</b>	<u>61</u>	<u>(70) A</u>	<u>(9)</u>	<u>(16)</u>	<u>7</u>
<b>Total Holding Company &amp; Other</b>	<u>\$ 61</u>	<u>\$ (70)</u>	<u>\$ (9)</u>	<u>\$ (17)</u>	<u>\$ 8</u>
<b>Total Net Income</b>	<u>\$ 229</u>	<u>\$ (70)</u>	<u>\$ 159</u>	<u>\$ 199</u>	<u>\$ (40)</u>
<b>Total Diluted EPS</b>	<u>\$ 1.36</u>	<u>\$ (0.42)</u>	<u>\$ 0.94</u>	<u>\$ 1.19</u>	<u>\$ (0.25)</u>
<b>Average Diluted Shares Outstanding</b>	169		169	168	

**Key:**

A - Quarterly Effective Tax Rate Adjustment



## DTE ENERGY COMPANY AND SUBSIDIARY COMPANIES

### Earnings Variance Analysis (Preliminary/Unaudited)

<b>Q4 2002 Reported Earnings per Share</b>		<b>\$1.21</b>
Adjust for Q4 2002 Quarterly Effective Tax Rate Adjustment		<b>0.03</b>
Adjust for discontinued operations (ITC)		<b>(0.05)</b>
<b>Q4 2002 Operating Earnings per Share</b>		<b>\$1.19</b>
<b>Regulated Electric</b>		<b>0.12</b>
<b>Gross Margin</b>	<b>(0.13)</b>	
Weather impact	(0.05)	
Incremental losses to Choice	(0.11)	
Territory growth	0.03	
<b>O&amp;M Expense</b>	<b>0.03</b>	
Benefits	(0.09)	
Uncollectable Expense	(0.03)	
Corporate Support Allocation Adj. (offset in Regulated Gas)	0.13	
Other - lower outage costs	0.02	
<b>Depreciation and Amort</b>	<b>0.16</b>	
Regulatory Deferral - Choice	0.11	
Other	0.05	
<b>Interest &amp; Other</b> - lower borrowing costs and taxes	<b>0.06</b>	
<b>Regulated Gas</b>		<b>(0.09)</b>
<b>Gross Margin</b>	<b>(0.04)</b>	
Weather impact	(0.06)	
Territory growth	0.02	
<b>O&amp;M Expense</b>	<b>(0.12)</b>	
Benefits	(0.01)	
Uncollectable Expense	(0.01)	
Corporate Support Allocation Adj. (offset in Regulated Electric)	(0.13)	
Other	0.03	
<b>Taxes &amp; Other</b>	<b>0.07</b>	
<b>Non Regulated</b>		<b>(0.32)</b>
<b>Energy Services</b> - Coke battery earnings in 2002, lower year-over-year synfuel prod.	<b>(0.15)</b>	
<b>Energy Trading</b> - Large unrealized gains at Co-Energy in 2002	<b>(0.12)</b>	
<b>Other Non Regulated</b>	<b>(0.05)</b>	
<b>Corporate &amp; Other</b> - primarily loss reserves in Q4 2002		<b>0.04</b>
<b>Q4 2003 Operating Earnings per Share</b>		<b>\$0.94</b>
Quarterly effective tax rate adjustment		<b>0.42</b>
<b>Q4 2003 Reported Earnings per Share</b>		<b>\$1.36</b>



**DTE ENERGY COMPANY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (PRELIMINARY/UNAUDITED)**  
(in Millions)

	Dec. 31 2003	Dec. 31 2002	Percent Change		Dec. 31 2003	Dec. 31 2002	Percent Change
<b>ASSETS</b>				<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Assets</b>				<b>Current Liabilities</b>			
Cash and cash equivalents	\$ 54	\$ 133	-59%	Accounts payable	\$ 625	\$ 647	-3%
Restricted cash	131	237	-45%	Accrued interest	110	115	-4%
Accounts receivable				Dividends payable	87	90	-3%
Customer (less allow. for doubtful accounts of \$99 and \$82)	877	902	-3%	Accrued payroll	51	49	4%
Accrued unbilled revenues	316	296	7%	Income taxes	185	44	n/m
Other	338	237	43%	Short-term borrowings	370	414	-11%
Inventories				Current portion long-term debt, including capital leases	477	1,018	-53%
Fuel and gas	467	413	13%	Liab. from risk mgmt. and trading activities	346	284	22%
Materials and supplies	162	163	-1%	Other	648	552	17%
Assets from risk management and trading activities	186	224	-17%		<b>2,899</b>	<b>3,213</b>	<b>-10%</b>
Other	181	159	14%				
	<b>2,712</b>	<b>2,764</b>	<b>-2%</b>	<b>Other Liabilities</b>			
<b>Investments</b>				Deferred income taxes	988	916	8%
Nuclear decommissioning trust funds	518	417	24%	Regulatory liabilities	162	179	-9%
Other	601	487	23%	Asset retirement obligations	866	-	-
	<b>1,119</b>	<b>904</b>	<b>24%</b>	Unamortized investment tax credit	156	168	-7%
<b>Property</b>				Liab. from risk mgmt. and trading activities	173	208	-17%
Property, plant and equipment	17,679	17,862	-1%	Liab. from transportation and storage contracts	475	523	-9%
Less accumulated depreciation and depletion	(8,010)	(8,049)	-	Accrued pension liability	345	582	-41%
	<b>9,669</b>	<b>9,813</b>	<b>-1%</b>	Deferred gains from asset sales	311	161	93%
<b>Other Assets</b>				Minority interest	156	128	22%
Goodwill	2,068	2,114	-2%	Nuclear decommissioning	67	416	-84%
Regulatory assets	2,063	1,197	72%	Other	544	394	38%
Securitized regulatory assets	1,527	1,613	-5%		<b>4,243</b>	<b>3,675</b>	<b>15%</b>
Notes receivable	469	336	40%	<b>Long-Term Debt (net of current portion)</b>			
Assets from risk management and trading activities	88	152	-42%	Mortgage bonds, notes and other	5,913	5,936	-
Prepaid pension assets	181	172	5%	Securitization bonds	1,496	1,585	-6%
Other	202	182	11%	Equity-linked securities	185	191	-3%
	<b>6,598</b>	<b>5,766</b>	<b>14%</b>	Capital lease obligations	75	82	-9%
					<b>7,669</b>	<b>7,794</b>	<b>-2%</b>
<b>Total Assets</b>	<b>\$ 20,098</b>	<b>\$ 19,247</b>	<b>4%</b>	<b>Commitments and Contingencies</b>			
				<b>Shareholders' Equity</b>			
				Common stock	3,109	3,052	2%
				Retained earnings	2,308	2,132	8%
				Accumulated other comprehensive loss	(130)	(619)	79%
					<b>5,287</b>	<b>4,565</b>	<b>16%</b>
				<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 20,098</b>	<b>\$ 19,247</b>	<b>4%</b>

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

n/m - not meaningful



**DTE ENERGY COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (PRELIMINARY/UNAUDITED)**

	<b>12 Months - December</b>	
	<b>2003</b>	<b>2002</b>
<b>(in Millions)</b>		
<b>Operating Activities</b>		
Net Income	\$ 521	\$ 632
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation, depletion, and amortization	691	759
Deferred income taxes	(220)	(208)
Gain on sale of assets, net	(129)	-
Partners' share of synfuel project losses	(78)	(40)
Contributions from synfuel partners	65	22
Cumulative effect of accounting changes	27	-
Changes in assets and liabilities, exclusive of changes shown separately	73	(169)
Net cash from operating activities	<u>\$ 950</u>	<u>\$ 996</u>
<b>Investing Activities</b>		
Plant and equipment expenditures - regulated	(679)	(794)
Plant and equipment expenditures - non-regulated	(72)	(190)
Proceeds from sale of interests in synfuel projects	89	32
Proceeds from sale of ITC and other assets	669	9
Restricted cash for debt redemptions	106	(79)
Other investments	(103)	(93)
Net cash from (used for ) investing activities	<u>\$ 10</u>	<u>\$ (1,115)</u>
<b>Financing Activities</b>		
Issuance of long-term debt	527	958
Redemption of long-term debt	(1,208)	(613)
Issuance of preferred securities	-	180
Redemption of preferred securities	-	(180)
Short-term borrowings, net	(44)	(267)
Capital lease obligations	(9)	(12)
Issuance of common stock	44	265
Repurchase of common stock	(3)	(9)
Dividends on common stock	(346)	(338)
Net cash used for financing activities	<u>\$ (1,039)</u>	<u>\$ (16)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(79)</b>	<b>(135)</b>
<b>Cash and Cash Equivalents at Beginning of the Period</b>	<b>133</b>	<b>268</b>
<b>Cash and Cash Equivalents at End of the Period</b>	<b><u>\$ 54</u></b>	<b><u>\$ 133</u></b>



**The Detroit Edison Company**  
**Consolidated Statement of Operations (Preliminary/Unaudited)**  
(in Millions)

	3 Months - December			12 Months - December		
	2003	2002	% Change	2003	2002	% Change
<b>Operating Revenues</b>	\$ 871	\$ 962	-9%	\$ 3,695	\$ 4,054	-9%
<b>Operating Expenses</b>						
Fuel and purchased power	177	233	-24%	939	1,074	-13%
Operation and maintenance	327	334	-2%	1,352	1,271	6%
Depreciation and amortization	87	128	-32%	473	577	-18%
Taxes other than income	53	67	-21%	257	273	-6%
	<u>644</u>	<u>762</u>	<u>-15%</u>	<u>3,021</u>	<u>3,195</u>	<u>-5%</u>
<b>Operating Income</b>	<u>227</u>	<u>200</u>	<u>14%</u>	<u>674</u>	<u>859</u>	<u>-22%</u>
<b>Other (Income) and Deductions</b>						
Interest expense	67	79	-15%	284	311	-9%
Interest income	(7)	-	-	(7)	(1)	n/m
Other income	(31)	(20)	n/m	(93)	(36)	n/m
Other expense	26	17	n/m	93	51	n/m
	<u>55</u>	<u>76</u>	<u>-28%</u>	<u>277</u>	<u>325</u>	<u>-15%</u>
<b>Income Before Income Taxes</b>	<u>172</u>	<u>124</u>	<u>39%</u>	<u>397</u>	<u>534</u>	<u>-26%</u>
Income Tax Provision	<u>67</u>	<u>40</u>	<u>68%</u>	<u>145</u>	<u>178</u>	<u>-19%</u>
Income Before Accounting Change	<u>105</u>	<u>84</u>	<u>25%</u>	<u>252</u>	<u>356</u>	<u>-29%</u>
Cumulative Effect of Accounting Change	-	-	-	(6)	-	-
<b>Reported Earnings</b>	<u>\$ 105</u>	<u>\$ 84</u>	<u>25%</u>	<u>\$ 246</u>	<u>\$ 356</u>	<u>-31%</u>
<b>Cumulative Effect of Accounting Changes</b>						
Asset Retirement Obligations (FAS 143)	-	-	-	6	-	-
<b>Unusual Items</b>						
August 2003 Blackout Costs	-	-	-	16	-	-
Loss on Sale of Steam Heating Business	-	-	-	14	-	-
Elimination of Intercompany Gain	-	-	-	-	(4)	-
<b>Operating Earnings</b>	<u>\$ 105</u>	<u>\$ 84</u>	<u>25%</u>	<u>\$ 282</u>	<u>\$ 352</u>	<u>-20%</u>

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n/m - not meaningful





**Michigan Consolidated Gas Company**  
**Consolidated Statement of Operations (Preliminary/Unaudited)**

(in Millions)

	3 Months - December			12 Months - December		
	2003	2002	% Change	2003	2002	% Change
<b>Operating Revenues</b>	\$ 414	\$ 370	12%	\$ 1,492	\$ 1,312	14%
<b>Operating Expenses</b>						
Cost of gas	251	223	13%	888	754	18%
Operation and maintenance	98	64	53%	349	277	26%
Depreciation, depletion and amortization	26	28	-7%	105	107	-2%
Taxes other than income	10	13	-23%	52	51	2%
Property write-down and contract losses	-	-	-	5	48	n/m
Loss on sale of assets	3	-	-	3	-	-
	385	328	17%	1,402	1,237	13%
<b>Operating Income</b>	29	42	-31%	90	75	20%
<b>Other (Income) and Deductions</b>						
Interest expense	15	15	-	57	59	-3%
Interest income	(2)	(2)	-	(10)	(10)	-
Gain on sale of joint venture	(6)	-	-	(6)	-	-
Other	(1)	(2)	n/m	(5)	(6)	17%
	6	11	-45%	36	43	-16%
<b>Income Before Income Taxes</b>	23	31	-26%	54	32	69%
Income Tax Provision	2	12	-83%	9	12	-25%
<b>Reported Earnings</b>	21	19	11%	45	20	125%
<b>Purchase Accounting and Other Adjustments</b>	-	17	-	-	46	-
<b>Operating Earnings (A)</b>	<b>\$ 21</b>	<b>\$ 36</b>	<b>-42%</b>	<b>\$ 45</b>	<b>\$ 66</b>	<b>-32%</b>

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

(A) Represents MichCon's results included in the DTE Energy Consolidated Statement of Operations.

n/m - not meaningful

## Sales Analysis

### Electric Sales - Detroit Edison Service Area (000's of GWh)

	Q4 2003	Q4 2002	% Change
Residential	3,519	3,580	-1.7%
Commercial	3,690	4,260	-13.4%
Industrial	2,990	3,245	-7.9%
Other	666	686	-2.9%
<b>TOTAL SYSTEM</b>	<b>10,865</b>	<b>11,771</b>	<b>-7.7%</b>
Choice Sales*	2,047	1,377	48.7%
<b>TOTAL SALES</b>	<b>12,912</b>	<b>13,148</b>	<b>-1.8%</b>

\* Includes Dearborn Industrial Group sales

### Electric Revenue - Detroit Edison Service Area (\$000s)

	Q4 2003	Q4 2002	% Change
Residential	314,120	318,996	-1.5%
Commercial	307,033	349,664	-12.2%
Industrial	149,906	168,957	-11.3%
Other	27,947	28,369	-1.5%
<b>TOTAL SYSTEM</b>	<b>799,006</b>	<b>865,986</b>	<b>-7.7%</b>
Choice Sales*	10,439	6,722	55.3%
<b>TOTAL SALES</b>	<b>809,445</b>	<b>872,708</b>	<b>-7.2%</b>

\* Includes Dearborn Industrial Group sales

### Electric Sales - Detroit Edison Service Area (000's of GWh)

	2003	2002	% Change
Residential	15,075	15,959	-5.5%
Commercial	15,940	18,393	-13.3%
Industrial	12,254	13,588	-9.8%
Other	2,621	2,653	-1.2%
<b>TOTAL SYSTEM</b>	<b>45,890</b>	<b>50,593</b>	<b>-9.3%</b>
Choice Sales *	7,237	3,954	83.0%
<b>TOTAL SALES</b>	<b>53,127 #</b>	<b>54,547</b>	<b>-2.6%</b>

\* Includes Dearborn Industrial Group sales

### Electric Revenue - Detroit Edison Service Area (\$000s)

	2003	2002	% Change
Residential	1,350,882	1,433,123	-5.7%
Commercial	1,309,563	1,500,143	-12.7%
Industrial	632,489	699,712	-9.6%
Other	115,975	114,437	1.3%
<b>TOTAL SYSTEM</b>	<b>3,408,909</b>	<b>3,747,415</b>	<b>-9.0%</b>
Choice Sales*	35,443	19,339	83.3%
<b>TOTAL SALES</b>	<b>3,444,352</b>	<b>3,766,754</b>	<b>-8.6%</b>

\* Includes Dearborn Industrial Group sales

### Gas Sales and End User Transportation- MichCon Service Area (Mcf)

	2003	2002	% Change
Residential	129,551,203	129,740,574	-0.1%
Commercial	41,135,858	38,916,292	5.7%
Industrial	1,526,112	1,570,220	-2.8%
	<b>172,213,173</b>	<b>170,227,086</b>	<b>1.2%</b>
End User Transportation*	151,089,646	169,524,109	-10.9%
<b>TOTAL SALES</b>	<b>323,302,819</b>	<b>339,751,195</b>	<b>-4.8%</b>

\* includes choice customers

### Gas - MichCon Service

	Q4 2003	Q4 2002	% Change
Residential	40,307,846	41,713,952	-3.4%
Commercial	12,102,969	11,328,746	6.8%
Industrial	466,728	331,964	40.6%
	<b>52,877,543</b>	<b>53,374,662</b>	<b>-0.9%</b>
End Use Transportation (includes choice customers)	38,042,355	47,787,008	-20.4%
<b>TOTAL SALES</b>	<b>90,919,898</b>	<b>101,161,670</b>	<b>-10.1%</b>

\* includes choice customers



## DTE Energy Debt/Equity Calculation

As of December 31, 2003

(\$ millions)

Short-term borrowings	\$370
Current portion LTD + cap leases	477
Mortgage bonds, notes, and other long-term debt	5,913
Securitization bonds	1,496
Capital leases	75
Less QUIDS	385
Less Trust Preferreds	280
Less MichCon short-term debt	238
Less securitization debt	1,585
<b>Total debt</b>	<b>\$5,843</b>
Trust preferred	\$280
QUIDS	385
Mandatory convertible	185
<b>Total preferred/ other</b>	<b>\$850</b>
<b>Equity</b>	<b>\$5,287</b>
<b>Total cap</b>	<b>\$11,980</b>
Debt	48.8%
Preferred stock/ other	7.1%
Common shareholders' equity	44.1%
<b>Total</b>	<b>100.0%</b>