



Enterprise Products Partners L.P.

COMPANY PROFILE

Enterprise Products Partners L.P. is the second largest publicly traded energy partnership with an enterprise value of approximately \$14 billion, and is a leading North American provider of midstream energy services to producers and consumers of natural gas, NGLs and crude oil. Enterprise transports natural gas, NGLs and crude oil through 31,000 miles of onshore and offshore pipelines and is an industry leader in the development of midstream infrastructure in the Deepwater Trend of the Gulf of Mexico.

With its extensive portfolio of assets, Enterprise has the only integrated North American natural gas and NGL network

complete with export services. The system links producers of natural gas and NGLs from the largest supply basins in the United States, Canada and the Gulf of Mexico with the largest consumers of NGLs and international markets.

NGLs (ethane, propane, normal and isobutane and natural gasoline) are primarily used by the petrochemical and refining industries as raw materials to produce plastics, other consumer products and to enhance octane and reduce production costs of motor gasoline. NGLs are also used as residential, commercial and industrial fuels.

SIGNIFICANT EVENTS

- ▶ October 2004, increased the current quarterly cash distribution rate to partners by 6% to \$0.3950 per common unit.
- ▶ September 2004, Enterprise also acquired nine natural gas processing plants and related facilities located in South Texas from El Paso Corporation for \$156 million.
- ▶ September 2004, Enterprise completed its merger with GulfTerra, creating the second largest publicly traded energy partnership with an enterprise value of approximately \$14 billion. In related transactions Enterprise purchased approximately 13.8 million GulfTerra limited partner units for \$500 million from El Paso Corporation and the remaining 57.8 million common units of GulfTerra were converted into approximately 104.5 million Enterprise common units based on an exchange rate of 1.81 Enterprise units for each GulfTerra unit.
- ▶ July 2004, unitholders for both Enterprise and GulfTerra approved the merger in separate meetings. At the Enterprise meeting, 99.7% of the total common units voted were in favor of the merger, and at the GulfTerra unitholder meeting, 98.0% of the common units voted were in favor of the merger.
- ▶ December 2003, the first step of the merger was completed with Enterprise purchasing a 50% interest in GulfTerra's General Partner for \$425 million in cash.
- ▶ December 2003, jointly announced with GulfTerra Energy Partners, L.P. and El Paso Corporation the execution of definitive agreements to merge Enterprise and GulfTerra.
- ▶ October 2003, increased the current quarterly cash distribution rate to partners to \$0.3725 per common unit, representing a 66% increase since the initial public offering in 1998.
- ▶ July 2003, implemented a distribution reinvestment plan ("DRIP"). The plan is available to all unitholders, including beneficial owners who may participate through their broker. Initially, common units purchased through the plan will be at a 5% discount to the market price.
- ▶ December 2002, Enterprise's partnership agreement was amended to eliminate its General Partner's ("GP's") 50% incentive distribution rights. This initiative, which effec-

- tively caps the GP's incentive distributions at 25%, transfers significant intrinsic value from the GP to the limited partners and enhances future growth prospects and increases in the distributions. No consideration was paid to the GP to give up its 50% incentive distribution rights.
- ▶ August 2002, completed \$1.2 billion acquisition of two NGL pipeline systems that extends Enterprise's platform of assets beyond the Gulf Coast and provides a strong business position in the Midwest and linkage to Canadian NGL production. Enterprise now provides midstream energy services to the two fastest growing natural gas basins in the U.S. – the deepwater Gulf of Mexico and the Rocky Mountains.
- ▶ April 2001, completed acquisition of Acadian Gas LLC for \$244 million. Acadian's assets consist of three Louisiana intrastate natural gas pipeline systems with an aggregate capacity of over one billion cubic feet per day.
- ▶ January 2001, acquired ownership interests in four natural gas pipeline systems and related equipment in the central Gulf of Mexico for \$113 million. These systems have an aggregate capacity of 2.85 billion cubic feet per day.
- ▶ February 2000, completed \$100 million acquisition of a 10-inch liquids pipeline that links major petrochemical and refinery complexes in Louisiana and Texas.
- ▶ September 1999, completed \$529 million acquisition of Shell Oil Company's Louisiana and Mississippi NGL business and entered into a 20-year natural gas processing agreement to process their current and future Gulf of Mexico production.



Exchange / Ticker
NYSE/EPD

Closing Price 10/22/04
\$23.63

Annual Distribution
\$1.58 / unit

Yield
6.7%

Fortune 500 Listing
336th

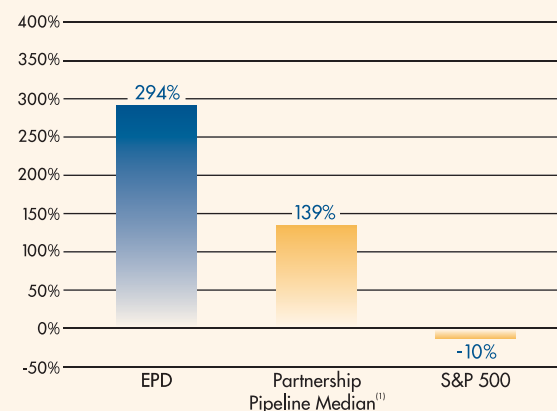
SENIOR UNSECURED DEBT RATINGS/OUTLOOK

Standard & Poor's
BB+/Stable

Moody's Investors Service
Baa3/Stable

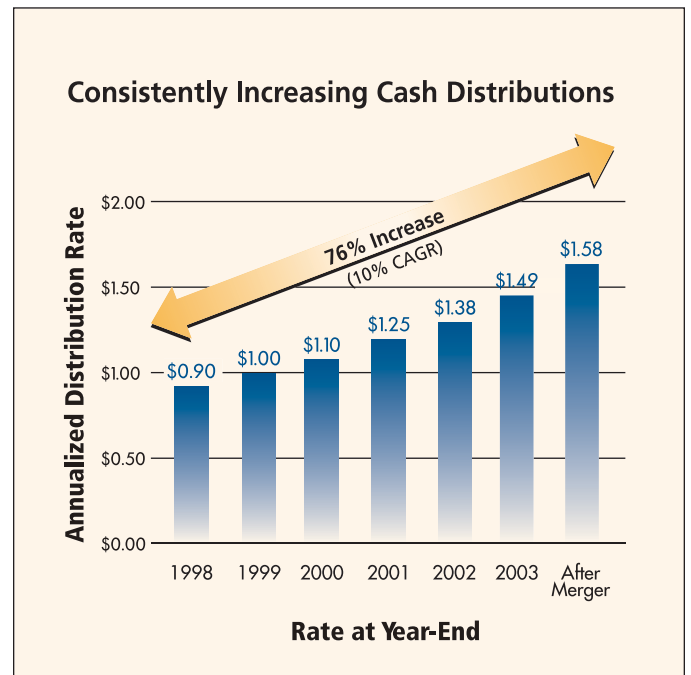
Fitch Ratings
BBB-/Stable

Total Return in MLP Group January 1, 1999 – September 30, 2004



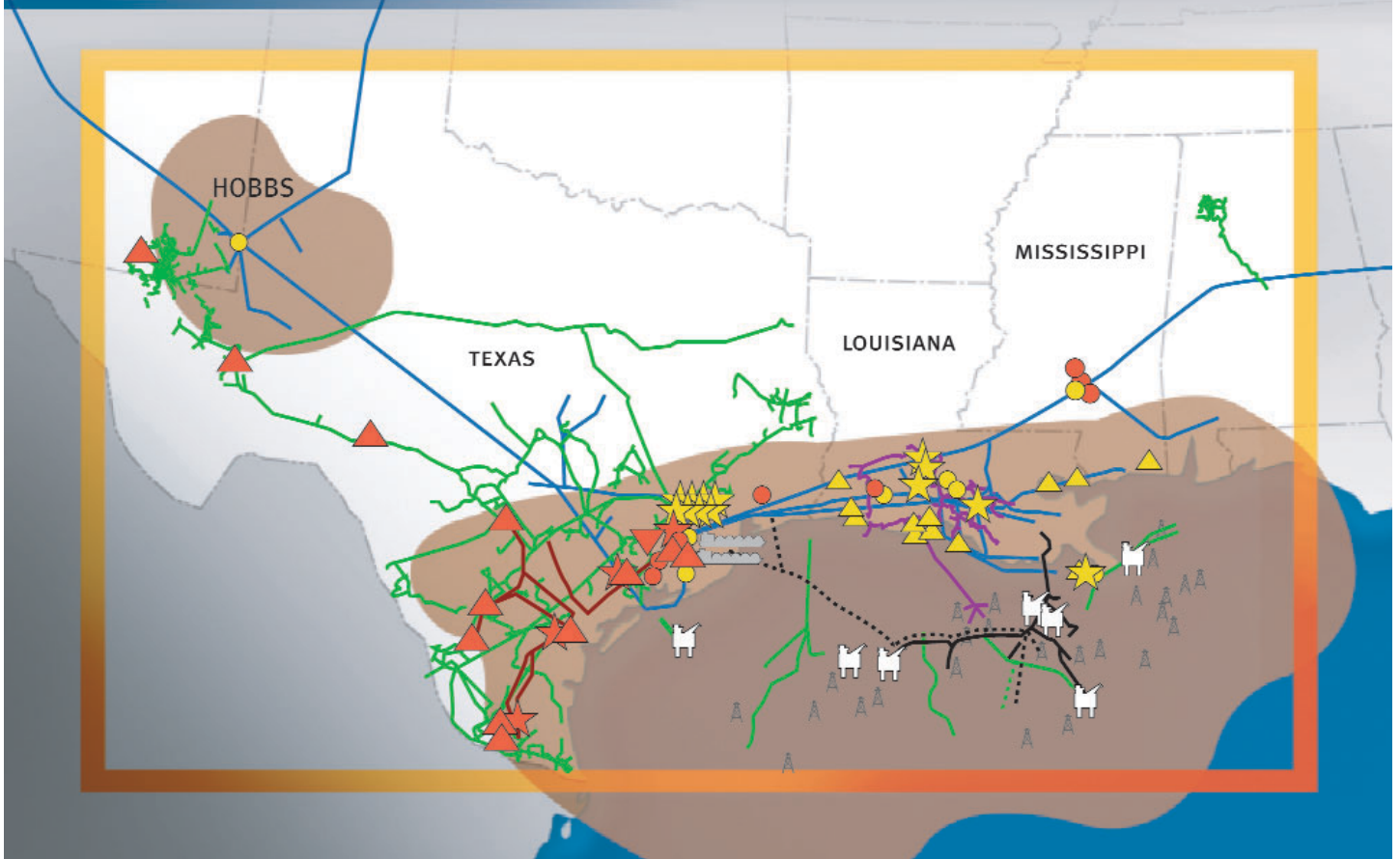
Note: Assumes quarterly distributions reinvested.
(1) Includes BPL, EEP, KMP, KPP, NBR, PAA and TPP.

System Map



(1) Pro Forma as if the merger with GulfTerra occurred on June 30, 2004.

Gulf Coast Assets



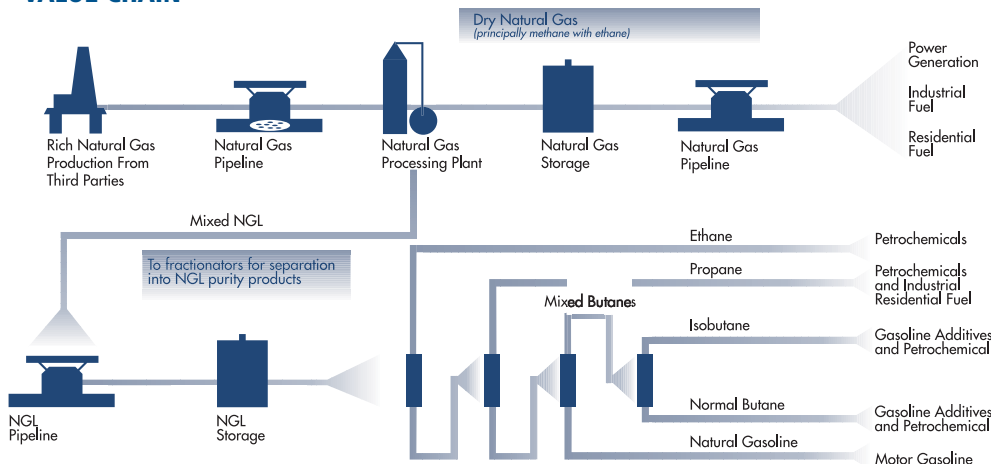
OVERVIEW OF COMBINED OPERATIONS

- ▶ Pipelines
 - ◆ 17,741 miles of natural gas pipelines
 - ◆ 13,130 miles of NGL and petrochemical pipelines
 - ◆ 380 miles of GOM crude oil pipelines
- ▶ Storage (Salt Dome)
 - ◆ 164 MMBbls of NGL storage capacity
 - ◆ 23 Bcf of natural gas storage capacity
- ▶ Drilling Platforms
 - ◆ 7 offshore Gulf of Mexico hub platforms
- ▶ NGL Import/Export Terminals on Houston Ship Channel
 - ◆ Import – unload up to 10,000 Bbls/hr;
 - ◆ Export – load up to 5,000 Bbls/hr
- ▶ Fractionation
 - ◆ 17 plants with net capacity of approximately 615 MBPD
- ▶ Natural Gas Processing
 - ◆ 26 plants with a net processing capacity of 7.0 BCFD

GROWTH STRATEGY

- ▶ Capitalize on expected increases in natural gas and NGL production resulting from development activities in the deepwater and continental shelf areas of the Gulf of Mexico and the Rocky Mountain area.
 - ◆ Anchored by a 20-year natural gas processing agreement with Shell Oil Company to process their current and future production from the Gulf of Mexico.
- ▶ Develop and invest in joint venture projects with strategic partners that will provide the raw materials for the project or purchase the end products.
- ▶ Form strategic alliances through joint ventures and similar arrangements with other businesses to share capital costs and risks associated with our operations.
- ▶ Expand the company's asset base through complementary acquisitions of midstream assets as major energy companies seek to divest "non-core" assets, and as companies are required to divest of assets for regulatory reasons.
- ▶ Maintain a solid capital structure to manage liquidity and capital resources to provide us with the financial flexibility to fund future growth opportunities.

VALUE CHAIN



CONDENSED FINANCIAL HIGHLIGHTS (UNAUDITED)

(\$Millions, Except per Unit Amounts)

	Six Months Ended June 30,			Twelve Months Ended December 31,		
	2004 Proforma ⁽¹⁾	2004 Actual	2003 Actual	2003 Actual	2002 Actual	2001 Actual
Total Assets	\$10,827	\$4,954	\$4,277	\$4,803	\$4,230	\$2,425
Total Debt	\$4,223	\$1,767	\$1,875	\$2,140	\$2,246	\$855
Net Debt to Net Capitalization	43%	43%	51%	54%	64%	38%
Total Revenues	\$4,286	\$3,418	\$2,692	\$5,346	\$3,585	\$3,154
EBITDA ⁽¹⁾	\$438	\$221	\$208	\$366	\$285	\$346
Income From Continuing Operations	\$148	\$85	\$74	\$105	\$96	\$242
Fully Diluted Earnings per Unit	\$0.35	\$0.32	\$0.32	\$0.41	\$0.48	\$1.39

(1) The unaudited pro forma condensed financial highlights for the six months ended June 30, 2004, assumes the merger with GulfTerra occurred on January 1, 2003 for financial data taken from the statement of consolidated operations, and it assumes that it occurred on June 30, 2004 for balance sheet data. See the Form 8k filed with the Securities and Exchange Commission on September 27, 2004 for a reconciliation of GAAP financial measures to non-GAAP financial measures.

L.P. EQUITY STRUCTURE

(Millions of L.P. Units at September 30, 2004)

Beneficially Owned By:	L.P. Units	
	Public	163.7
Management	132.5	37%
Shell	41.0	11%
El Paso Corp.	13.5	4%
Goldman Sachs	10.0	3%
Total L.P. Units Outstanding	360.7	100%

INVESTMENT CONSIDERATIONS

- ▶ 2nd largest publicly traded energy partnership with an enterprise value (market capitalization plus debt) of approximately \$14 billion
- ▶ Strategically located assets serving the most prolific basins for natural gas, crude oil and NGLs in the United States
- ▶ Listed in the Fortune 500
- ▶ Significant market position across the natural gas and NGL value chain
- ▶ 7th on Forbes List of America's 25 Fastest-Growing Big Companies
- ▶ Long-standing relationships with major industry participants
- ▶ Growth oriented
- ▶ Management's interests are aligned with the public partners
 - ◆ Rapid expansion since company was formed in 1968
 - ◆ Management and their affiliates own 37% of the limited partner units outstanding
- ◆ Completed approximately \$3.1 billion of investments in growth projects and asset acquisitions since IPO in July 1998
- ▶ Experienced and deep management team averaging 25 to 30 years of industry experience
- ◆ Completed \$6.2 billion acquisition of GulfTerra Energy Partners, L.P.
- ▶ General Partner's incentive distribution rights are capped at 25% compared to 50% for most all other publicly-traded partnerships
- ▶ Integrated growth strategy
- ▶ Attractive yield and tax deferral
- ▶ Stable cash flow substantially from fee-based businesses

PUBLIC PARTNERSHIP ATTRIBUTES

Enterprise is a publicly traded partnership, which operates in the following ways that are different from a publicly traded stock corporation.

- ▶ Unitholders own limited partnership units and receive cash distributions instead of shares of common stock and dividends.
- ▶ A partnership generally is not a taxable entity and does not pay federal income taxes. All of the annual income, gains, losses, deductions or credits flow through the partnership to the unitholders on a per unit basis. The unitholders are required to report their allocated share of these amounts on their income tax returns whether or not any cash distributions are paid by the partnership to its unitholders.
- ▶ Cash distributions paid by a partnership to a unitholder are generally not taxable, unless the amount of any cash distributed is in excess of the unitholder's adjusted basis in his partnership interest.
- ▶ Generally in late February, Enterprise provides each unitholder a Schedule K-1 tax package that includes each unitholder's allocated share of reportable partnership items and other partnership information necessary to complete their income tax returns. The K-1 provides a unitholder the required tax information for their ownership interest in the partnership, similar to the Form 1099DIV a stockholder of a corporation would receive.

**HEADQUARTERS**

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This fact sheet includes forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 based on the beliefs of the company, as well as assumptions made by, and information currently available to, management. Although Enterprise believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Please refer to the company's latest filings with the Securities and Exchange Commission for a list of factors that may cause actual results to differ materially from those in the forward-looking statements contained in this fact sheet.