

Reconciliation of GAAP net earnings to Ongoing EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) by segment

	Year Ended December 31, 2006						
	PNM Electric	TNMP Electric	PNM Gas	Wholesale	First Choice	Corporate & Other	PNMR Consolidated
Net Earnings Available to Common Shareholders (GAAP)	\$39.0	\$15.7	\$6.0	\$43.5	\$41.4	(\$24.8)	\$120.8
EBIDTA Adjustments:							
Interest Charges	34.9	28.9	12.4	36.9	0.8	31.6	145.5
Income Tax	25.6	7.4	3.8	28.4	22.9	(24.1)	64.0
Depreciation and Amortization	59.6	31.6	24.0	26.1	2.0	9.0	152.3
Total Adjustments	<u>120.1</u>	<u>67.9</u>	<u>40.2</u>	<u>91.4</u>	<u>25.7</u>	<u>16.5</u>	<u>361.8</u>
Non-Recurring Charges	0.0	0.0	0.0	0.0	0.0	7.7	7.7
Ongoing EBITDA	\$159.1	\$83.6	\$46.2	\$134.9	\$67.1	(\$0.6)	\$490.3