

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

	Quarter Ended March 31, 2006						
	PNM Electric	TNMP Electric	PNM Gas	Wholesale	First Choice	Corporate & Other	PNMR Consolidated
Net Earnings Available to Common Shareholders (GAAP)	\$8.5	\$1.2	\$10.4	\$8.9	\$0.8	(\$3.8)	\$26.0
EBIDTA Adjustments:							
Interest Charges	8.6	7.2	3.0	3.8	0.2	5.8	28.6
Income Tax	5.6	0.3	6.8	5.7	0.5	(3.6)	15.3
Depreciation and Amortization	15.0	7.7	5.9	3.2	0.5	2.0	34.3
Total Adjustments	<u>29.2</u>	<u>15.2</u>	<u>15.7</u>	<u>12.7</u>	<u>1.2</u>	<u>4.2</u>	<u>78.2</u>
Non-Recurring Charges	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Ongoing EBITDA	\$37.7	\$16.4	\$26.1	\$21.6	\$2.0	\$1.4	\$105.2