

PNM Resources
Segment Reconciliation of GAAP Net Earnings to Ongoing EBITDA
(Earnings Before Interest Charges, Income Taxes, Depreciation and Amortization)
(Preliminary and Unaudited)

(in millions)

Three Months Ended March 31, 2009

	PNM Electric	TNMP Electric	PNM Gas	First Choice	Corporate & Other	PNMR Consolidated
GAAP Net Earnings (Loss)	(\$5.1)	\$1.4	\$81.7	\$7.0	\$10.4	\$95.4
Interest charges	17.2	4.1	1.0	1.0	6.6	29.9
Income taxes	(3.3)	1.0	43.8	3.9	6.0	51.4
Depreciation and amortization	21.7	8.6	0.0	0.5	4.6	35.4
EBITDA	30.5	15.1	126.5	12.4	27.6	212.1
Ongoing adjustments (before tax)	8.4	0.0	(111.0)	(0.4)	(27.8)	(130.8)
Ongoing EBITDA	\$38.9	\$15.1	\$15.5	\$12.0	(\$0.2)	\$81.3

(in millions)

Three Months Ended March 31, 2008

	PNM Electric	TNMP Electric	PNM Gas	First Choice	Corporate & Other	PNMR Consolidated
GAAP Net Earnings (Loss)	(\$27.1)	\$3.7	\$22.5	(\$24.1)	(\$23.6)	(\$48.6)
Interest charges	14.1	5.0	3.0	0.3	8.4	30.8
Income taxes	(17.1)	2.3	13.7	(12.8)	(14.5)	(28.4)
Depreciation and amortization	21.0	8.4	0.0	0.5	4.1	34.0
EBITDA	(9.1)	19.4	39.2	(36.1)	(25.6)	(12.2)
Ongoing adjustments (before tax)	21.1	0.0	(0.1)	40.7	27.1	88.8
Ongoing EBITDA	\$12.0	\$19.4	\$39.1	\$4.6	\$1.5	\$76.6

PNM Resources
Calculation of Optim Energy Ongoing EBITDA
(Earnings Before Interest Charges, Income Taxes, Depreciation and Amortization)
(Preliminary and Unaudited)

	Three Months Ended March 31, 2009	
	(in millions)	
GAAP Net Earnings	\$	3.1
Interest expense		2.5
Income tax		0.2
Depreciation and amortization expense		7.7
Purchase accounting amortizations		4.4
Losses on forward mark on economic hedges		(9.4)
		8.5
Ongoing Optim Energy EBITDA		8.5
50 percent of Ongoing EBITDA (PNMR share)	\$	4.3

	Three Months Ended March 31, 2008	
	(in millions)	
GAAP Net Earnings (Loss)	\$	(51.0)
Interest expense		6.6
Income tax		(0.4)
Depreciation and amortization expense		7.6
Purchase accounting amortizations		2.8
Losses on forward mark on economic hedges		47.1
Speculative trading		2.4
		15.1
Ongoing Optim Energy EBITDA		15.1
50 percent of Ongoing EBITDA (PNMR share)	\$	7.6