

# Intrinsic Value Weekly

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## "Buy Borders Group, Inc."

Borders Group is the unsung journeyman of the modern bookselling industry. While Barnes and Noble and Amazon get all the media ink, Borders quietly soldiers on with mid-teens revenue growth and steady margins. Further, the company is expanding overseas successfully in the UK, Australia, Singapore and New Zealand. The company has a winning formula for its bookstores: wide selection and coffee. Not only that, the company is buying back shares in the open market at a faster rate than it is issuing them and at a price less than intrinsic value.

As the number two bookseller to Barnes and Noble, the company is not without competitors, but the consolidation in the book business has a long way yet to run. Though the company will never win any awards for its coffee, until Starbucks starts selling books, it has an advantage in the in-store retail segment of the book business. For the 50 weeks ended January 9th, consolidated sales rose 15.8%. On a comparable store basis, sales rose 5.5%. The company says it is comfortable with analyst estimates of \$1.16 to \$1.17 per share, well within reason given our conservative forecast for sales and margins. We recommend purchase at the Jan. 10, 2000, closing price of \$17.75 per share.

Fiscal year January (\$millions)	1996	1997	1998	1999	2000E	2001 E
<b>Sales</b>	\$1,749.0	\$1,958.8	\$2,266.0	\$2,595.0	\$2,958.3	\$3,348.8
<b>NOPAT*</b>	\$96.5	\$179.4	\$174.7	\$222.5	\$241.8	\$263.9
<b>Intrinsic Value at year-end</b>					\$33.34	\$36.14

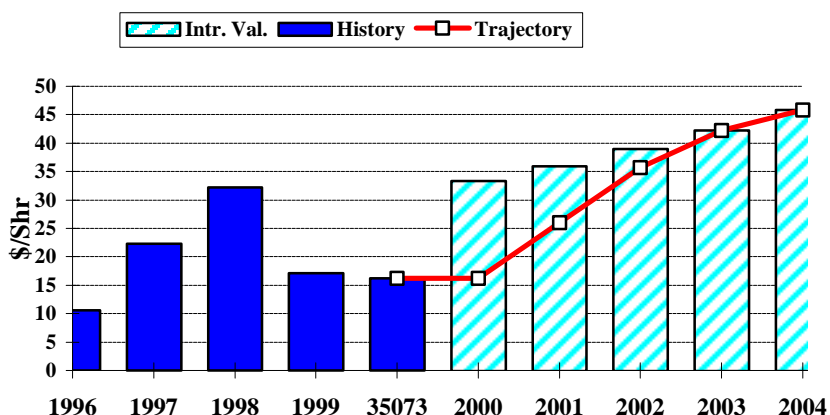
\* Net Operating Profit After Tax

<b>Current Price</b>	\$17.75
<b>Current Yield</b>	0.0%
<b>52 Week High</b>	\$21.00
<b>52 Week Low</b>	\$11.75

<b>EBIT Margin %</b>	8.6%
<b>Capital Turnover</b>	1.3

<b>Cost of Equity</b>	8.4%
<b>Cost of Capital</b>	8.0%
<b>Leverage</b>	65.7%

## Stock Price Forecast - BGP (NYSE)



## Intrinsic Value Driver Sensitivities

	Units of Change	Forecast Average	Intrinsic Value		% Ch Intrinsic Value	
			Decline	Increase	Decline	Increase
Terminal Sales Growth	+1 %age Pt	6.9%	\$ 33.54	\$ 33.32	0.6%	-0.1%
Terminal Spread	+1 %age Pt	0.0%	na	\$ 62.12	na	86.3%
EBIT Margin	+1 %age Pt	8.5%	\$ 24.13	\$ 42.97	-27.6%	28.9%
Sales Growth	+1 %age Pt	8.9%	\$ 34.52	\$ 32.55	3.5%	-2.4%
Accounts Receivable/Sales	-1 %age Pt	0.0%	\$ 31.55	\$ 35.17	-5.4%	5.5%
Inventories/COGS	-1 %age Pt	60.9%	\$ 32.18	\$ 34.52	-3.5%	3.5%
Operating Cash/Sales	-1 %age Pt	1.6%	\$ 31.55	\$ 35.17	-5.4%	5.5%
Accounts Payable/COGS	+1 %age Pt	36.2%	\$ 32.18	\$ 34.52	-3.5%	3.5%
Net Fixed Assets/Sales	-1 %age Pt	63.5%	\$ 31.59	\$ 35.13	-5.3%	5.3%
Tax Rate	-1 %age Pt	34.7%	\$ 31.83	\$ 34.87	-4.5%	4.6%
Inflection Year	-1 Year	2005	\$ 32.46	\$ 35.28	-2.7%	5.8%
Cost of Capital	-1 %age Pt	8.0%	\$ 61.53	\$ 21.02	84.5%	-37.0%
Target Leverage	-1 %age Pt	64.0%	\$ 33.34	\$ 33.34	0.0%	0.0%

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## "The Portfolio Expands"

The addition of **Borders Group, Inc. (BGP - NYSE)** to the portfolio increases the specialty retailing segment, adding to Lowes Companies, which by the way got rather under-priced at the end of last weeks shenanigans. So, both retail selections have a valuation cushion and good solid fundamentals. No turnarounds there. We do not expect to see much long term damage to the home improvement from higher interest rates. As long as incomes continue to rise and taxes don't go up, we expect the housing business to continue a moderate prosperity this year. In addition, we expect long and short term interest rates to return to their downward trend which had been interrupted by the Asian financial mess.

Our confidence in the value of WEN continues, though the short run looks as though further opportunity for low purchase prices could be coming. It is well to remember that business value and stock price are often separated by investors' fears and elations. WEN seems to engender fears, though the fundamentals seem reasonably sound.

The numbers are in: The 1999 performance (before fees) of the Intrinsic Value Portfolio was 23.7% vs. 21% for the Standard and Poors 500 Index. Another year when Intrinsic Value beats traditional "value".

## Intrinsic Value Portfolio

Companies that create Intrinsic Value

Symbol	Name	Updated Valuation	Price 1/7/2000	Intrinsic Value	Over/ (Under) Priced	Q Ratio	Weekly Price Change
<b>AC</b>	<b>Alliance Capital Mgt LP</b>	<b>9/24/1999</b>	<b>\$ 31.250</b>	<b>\$44.68</b>	<b>(30.1%)</b>	<b>5.4</b>	<b>4.4%</b>
<b>HON</b>	<b>Honeywell Int'l Inc.</b>	<b>4/29/1999</b>	<b>\$ 59.000</b>	<b>\$64.60</b>	<b>(8.7%)</b>	<b>2.4</b>	<b>2.3%</b>
<b>BGP</b>	<b>Borders Group, Inc.</b>	<b>1/10/2000</b>	<b>\$ 17.250</b>	<b>\$33.34</b>	<b>(48.3%)</b>	<b>1.2</b>	<b>na</b>
BGG	Briggs & Stratton	9/20/1999	\$ 50.125	\$117.62	(57.4%)	2.0	(6.5%)
CTL	CenturyTel, Inc.	3/1/1999	\$ 42.875	\$45.97	(6.7%)	2.0	(9.5%)
<b>DAL</b>	<b>Delta Air Lines, Inc.</b>	<b>3/1/1999</b>	<b>\$ 50.625</b>	<b>\$66.79</b>	<b>(24.2%)</b>	<b>0.9</b>	<b>1.6%</b>
<b>G</b>	<b>Gillette Company</b>	<b>6/23/1999</b>	<b>\$ 42.500</b>	<b>\$48.52</b>	<b>(12.4%)</b>	<b>4.5</b>	<b>3.2%</b>
LOW	Lowes Companies	9/27/1999	\$ 53.750	\$61.77	(13.0%)	4.2	(10.0%)
MLHR	Herman Miller, Inc.	7/5/1999	\$ 22.438	\$46.47	(51.7%)	2.5	(2.4%)
NYT	New York Times Co.	3/1/1999	\$ 45.750	\$48.21	(5.1%)	3.3	(6.9%)
<b>NUE</b>	<b>Nucor Corporation</b>	<b>3/1/1999</b>	<b>\$ 55.938</b>	<b>\$57.99</b>	<b>(3.5%)</b>	<b>1.9</b>	<b>2.1%</b>
<b>PFE</b>	<b>Pfizer, Inc.</b>	<b>6/23/1999</b>	<b>\$ 34.625</b>	<b>\$42.73</b>	<b>(19.0%)</b>	<b>9.4</b>	<b>6.7%</b>
WEN	Wendy's International	3/1/1999	\$ 19.625	\$29.86	(34.3%)	1.6	(5.7%)
<b>Average:</b>					<b>(23.7%)</b>	<b>Average:</b>	<b>(1.7%)</b>
<b>Bold - Outperformed the S&amp;P 500 for the week</b>						<b>S&amp;P 500</b>	<b>(1.9%)</b>

## Value Drivers

## Standard Market Statistics

Symbol	Sales		EBIT Margin %	ROC	Quarterly Sales Y/Y	Yield	PE Last 12M	Price/Book	Price/Sales
	Growth Last 12M								
<b>AC</b>	<b>30.1%</b>		<b>27.7%</b>	<b>38.6%</b>	<b>36.2%</b>	<b>6.3%</b>	<b>13.8</b>	<b>11.9</b>	<b>3.1</b>
<b>HON</b>	<b>(0.3%)</b>		<b>13.0%</b>	<b>11.5%</b>	<b>2.6%</b>	<b>1.2%</b>	<b>21.7</b>	<b>6.1</b>	<b>2.1</b>
<b>BGP</b>	<b>13.7%</b>		<b>6.4%</b>	<b>8.8%</b>	<b>17.6%</b>	<b>0.0%</b>	<b>15.9</b>	<b>1.8</b>	<b>0.4</b>
BGG	14.2%		12.0%	26.4%	33.5%	2.4%	9.8	3.4	0.8
CTL	16.0%		30.4%	10.9%	4.3%	0.4%	28.4	4.3	3.9
<b>DAL</b>	<b>2.8%</b>		<b>12.7%</b>	<b>10.4%</b>	<b>2.0%</b>	<b>0.2%</b>	<b>6.2</b>	<b>1.6</b>	<b>0.5</b>
<b>G</b>	<b>(0.0%)</b>		<b>23.1%</b>	<b>17.1%</b>	<b>(0.9%)</b>	<b>1.4%</b>	<b>33.5</b>	<b>9.6</b>	<b>4.6</b>
LOW	19.7%		6.8%	10.7%	19.2%	0.2%	35.6	6.7	1.4
MLHR	(1.3%)		12.7%	18.4%	(0.2%)	0.6%	13.6	8.8	1.1
NYT	3.7%		17.5%	11.8%	6.9%	0.9%	30.3	5.8	3.1
<b>NUE</b>	<b>(12.2%)</b>		<b>9.9%</b>	<b>12.6%</b>	<b>1.6%</b>	<b>0.9%</b>	<b>23.0</b>	<b>2.3</b>	<b>1.3</b>
<b>PFE</b>	<b>22.1%</b>		<b>27.0%</b>	<b>20.2%</b>	<b>19.8%</b>	<b>0.9%</b>	<b>47.7</b>	<b>14.3</b>	<b>7.9</b>
WEN	2.0%		12.6%	9.2%	11.4%	1.2%	18.6	2.4	1.3

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## ECONOMIC SECTOR VALUATION

<u>SECTORS</u>	<u>S&amp;P 500</u>	<u>S&amp;P MIDCAP</u>	<u>S&amp;P SMALL CAP</u>
BASIC INDUSTRY	<b>39.2%</b>	<b>(23.0%)</b>	<b>(1.8%)</b>
CONSUMER CYCLICALS	(4.4%)	(20.8%)	<b>(15.5%)</b>
CONSUMER STAPLES	<b>(4.0%)</b>	<b>(10.5%)</b>	<b>(14.6%)</b>
HEALTH	<b>(29.5%)</b>	<b>3.0%</b>	<b>(5.6%)</b>
ENERGY	<b>7.0%</b>	46.1%	<b>2.8%</b>
FINANCIAL	(14.4%)	(32.8%)	(35.6%)
CAPITAL GOODS	23.4%	5.6%	0.8%
TECHNOLOGY	30.8%	27.1%	67.2%
COMMUNICATIONS	3.3%	63.9% *	43.8% *
UTILITY	<b>(18.8%)</b>	<b>(26.5%)</b>	<b>(12.4%)</b>
TRANSPORTATION	<b>(27.3%)</b>	<b>(32.3%)</b>	<b>(10.6%)</b>
Weighted Total:	6.4%	(0.2%)	9.3%

RED - Overvalued

BLUE - (Undervalued)

Bold - outperformed the relevant index

## WEEKLY PRICE CHANGE

<u>SECTORS</u>	<u>S&amp;P 500</u>		<u>S&amp;P MIDCAP</u>		<u>S&amp;P SMALL CAP</u>	
	Weight	Price	Weight	Price	Weight	Price
prices as of 1/7/2000	% of Total	% Change	% of Total	% Change	% of Total	% Change
BASIC INDUSTRY	3.1%	4.2%	4.7%	3.2%	3.9%	6.1%
CONSUMER CYCLICALS	9.4%	(2.4%)	14.6%	(3.8%)	17.3%	(2.5%)
CONSUMER STAPLES	11.5%	0.4%	8.6%	(1.4%)	7.3%	(2.1%)
HEALTH	10.1%	8.3%	11.3%	4.6%	11.2%	6.3%
ENERGY	5.1%	3.6%	4.7%	(2.5%)	3.0%	2.0%
FINANCIAL	12.5%	(3.5%)	10.6%	(4.5%)	10.1%	(3.3%)
CAPITAL GOODS	8.5%	(1.3%)	7.5%	(5.2%)	13.0%	(4.8%)
TECHNOLOGY	29.0%	(5.9%)	26.4%	(2.8%)	26.4%	(4.7%)
COMMUNICATIONS	7.6%	(6.4%)	1.4%	(7.8%) *	0.6%	(7.7%) *
UTILITY	2.4%	4.0%	9.1%	3.5%	3.7%	(1.1%)
TRANSPORTATION	0.7%	1.5%	1.0%	(1.9%)	3.4%	(2.0%)
Index Total:		(1.9%)		(1.8%)		(3.0%)

\* Sector contains only 3 companies

Weekly price changes may not match prior issues due to changes in composition of sectors.

**Sector Comments** We think that interest rates are too high, given current tax rates and inflation rates. That means we think also that the cost of equity capital is too high and will decline.

Even so, we note that several sectors are discounting much higher than probable growth rates in revenue and free cash flow. The Health Sector is sharply under-priced. But Utilities and Transportation companies are also under-priced. All three of these sectors far outpaced the market averages last week and represent a significant opportunity for investors.

On Page 4 this week, we have profiled the Utility Sector; Large, MidCap and Small Cap to show that the valuation drivers in this sector are not so much the growth of revenues as they are the free cash flow and potential cash cost savings from consolidation and asset rationalization. Many of these companies, when faced with a crunch will find cash resources from selling under-utilized assets that no longer provide a basis for calculating rates. The long term outlook for electric utilities is very good. We expect that very little media attention will attend this phenomenon until after it has occurred.

(Millions)	<u>Large Capitalization</u>		<u>Mid-Cap Capitalization</u>		<u>Small-Cap Capitalization</u>	
\$	11,852,674	90.5%	\$887,235	6.8%	\$ 360,322	2.8%

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**The Long Term for Utilities is a Play on Asset Utilization**

Page 4

Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
AES CORP	AES	\$14,950	38.4%	74.8	22.41	30.0	66.2	7.5	26.8	7.70	0.0%
AGL RESOURCES INC	ATG	\$967	-10.6%	17.0	26.33	12.5	13.1	1.5	6.1	9.56	6.4%
ALLEGHENY ENERGY INC	AYE	\$2,975	2.0%	26.9	43.94	23.6	11.4	1.6	6.1	9.48	6.4%
ALLIANT CORP	LNT	\$2,164	7.7%	27.5	21.49	13.3	12.1	1.3	5.6	8.64	7.3%
AMEREN CORP	AEE	\$4,494	6.8%	32.8	59.10	25.3	10.8	1.5	6.0	9.89	7.8%
AMERICAN ELECTRIC POWER	AEP	\$6,235	3.0%	32.1	43.36	20.6	12.7	1.3	5.5	7.82	7.5%
AMERICAN STATES WATER CCAWR		\$322	9.8%	36.0	30.86	23.8	18.4	2.1	11.9	7.97	3.6%
AMERICAN WATER WORKS INC	AWK	\$2,058	6.0%	21.3	5.81	24.0	15.2	1.4	6.9	5.47	4.0%
AQUARION CO	WTR	\$425	46.5%	37.0	35.70	37.9	15.8	2.8	12.4	10.08	3.0%
ATMOS ENERGY CORP	ATO	\$639	-14.2%	20.4	12.58	9.0	35.2	1.7	8.6	5.73	5.6%
BANGOR HYDRO-ELEC CO	BGR	\$121	4.7%	16.4	31.06	21.9	7.9	1.0	5.7	7.32	3.7%
BLACK HILLS CORP	BKH	\$476	29.2%	22.2	25.66	7.7	17.9	2.3	9.6	11.39	4.7%
CALPINE CORP	CPN	\$3,492	40.5%	64.0	14.60	26.4	38.6	9.0	21.5	8.71	0.0%
<b>CAROLINA POWER &amp; LIGHT</b>	<b>CPL</b>	<b>\$4,858</b>	<b>6.3%</b>	<b>30.4</b>	<b>60.40</b>	<b>29.0</b>	<b>12.3</b>	<b>1.6</b>	<b>5.2</b>	<b>11.81</b>	<b>6.6%</b>
CASCADE NATURAL GAS CORP	CGC	\$178	21.3%	16.1	20.74	13.2	13.1	1.6	7.7	8.45	6.0%
CENTRAL & SOUTH WEST CORP	CSR	\$4,252	2.3%	20.0	43.53	19.5	10.2	1.2	4.4	8.55	8.7%
CENTRAL VERMONT PUB SERV	CV	\$122	62.9%	10.6	-7.04	3.6	10.2	0.7	5.9	2.15	8.3%
CH ENERGY GROUP INC	CHG	\$579	6.8%	33.0	49.22	20.1	11.4	1.2	5.7	7.42	6.5%
CINERGY CORP	CIN	\$3,804	-9.8%	23.9	31.37	10.5	10.0	1.5	6.5	7.40	7.5%
CLECO CORP	CNL	\$722	65.2%	32.1	38.40	20.8	13.1	1.7	7.1	8.46	5.2%
CMP GROUP INC	CTP	@NA	5.2%	27.6	19.94	13.2	13.9	1.8	7.8	5.89	3.3%
<b>CMS ENERGY CORP</b>	<b>CMS</b>	<b>\$3,612</b>	<b>15.7%</b>	<b>31.2</b>	<b>40.12</b>	<b>15.1</b>	<b>11.9</b>	<b>1.6</b>	<b>4.9</b>	<b>8.22</b>	<b>4.7%</b>
COASTAL CORP	CGP	\$7,569	24.0%	35.4	26.80	11.9	15.0	2.2	8.1	7.85	0.7%
COLUMBIA ENERGY GROUP	CG	\$5,140	2.2%	63.3	63.12	8.5	18.8	2.6	10.5	10.54	1.4%
<b>CONNECTIV INC</b>	<b>CIV</b>	<b>\$1,572</b>	<b>6.7%</b>	<b>16.8</b>	<b>26.23</b>	<b>12.6</b>	<b>13.9</b>	<b>1.0</b>	<b>4.4</b>	<b>9.20</b>	<b>5.2%</b>
CONNECTICUT ENERGY CORP	CNE	\$403	-7.3%	38.9	41.68	19.0	24.0	2.2	11.6	9.94	3.4%
CONSOLIDATED EDISON INC	ED	\$7,522	13.8%	34.5	66.63	20.8	11.0	1.3	6.4	11.15	6.2%
CONSOLIDATED NATURAL GAS	CNG	\$6,229	19.4%	64.9	55.56	18.1	37.1	2.6	10.0	8.80	3.0%
<b>CONSTELLATION ENERGY CO</b>	<b>CEG</b>	<b>\$4,338</b>	<b>3.9%</b>	<b>29.0</b>	<b>43.31</b>	<b>22.2</b>	<b>14.4</b>	<b>1.5</b>	<b>6.1</b>	<b>8.63</b>	<b>5.8%</b>
DOMINION RESOURCES INC	D	\$7,492	7.7%	39.3	39.77	17.5	14.0	1.4	5.8	6.18	6.6%
DPL INC	DPL	\$2,746	0.4%	17.3	27.79	30.7	13.2	2.0	8.8	12.40	5.4%
DQE INC	DQE	\$2,608	12.3%	34.6	10.16	21.4	14.2	1.8	6.4	5.54	4.6%
DTE ENERGY CO	DTE	\$4,587	20.1%	31.6	51.44	22.2	9.3	1.2	4.1	8.46	6.5%
<b>DUKE ENERGY CORP</b>	<b>DUK</b>	<b>\$18,296</b>	<b>26.3%</b>	<b>50.1</b>	<b>61.53</b>	<b>13.3</b>	<b>14.7</b>	<b>2.2</b>	<b>8.4</b>	<b>10.75</b>	<b>4.4%</b>
EASTERN ENTERPRISES	EFU	\$1,552	6.7%	57.4	6.19	7.1	28.2	2.4	10.2	4.60	3.0%
EASTERN UTILITIES ASSOC	EUA	\$619	4.2%	30.3	30.19	16.5	36.1	1.7	7.0	7.40	5.5%
<b>EDISON INTERNATIONAL</b>	<b>EIX</b>	<b>\$9,093</b>	<b>7.4%</b>	<b>26.2</b>	<b>31.17</b>	<b>17.0</b>	<b>13.2</b>	<b>1.8</b>	<b>3.9</b>	<b>7.67</b>	<b>4.1%</b>
EL PASO ENERGY CORP/DE	EPG	\$4,582	42.7%	38.8	16.71	8.8	24.3	2.2	9.0	5.52	2.1%
ENERGEN CORP	EGN	\$536	11.0%	18.1	19.43	12.2	12.9	1.6	4.5	7.38	3.7%
ENERGY EAST CORP	NEG	\$2,339	-18.3%	20.8	36.31	19.0	10.6	1.5	6.7	9.65	4.0%
ENRON CORP	ENE	\$31,755	4.6%	44.4	0.57	3.8	34.4	4.2	19.2	5.24	1.1%
ENTERGY CORP	ETR	\$6,265	-33.2%	25.8	38.68	13.2	8.1	0.9	3.6	6.50	4.7%
FIRSTENERGY CORP	FE	\$5,287	0.6%	22.7	41.07	23.4	9.5	1.2	4.3	8.11	6.6%
<b>FLORIDA PROGRESS CORP</b>	<b>FPC</b>	<b>\$4,166</b>	<b>7.3%</b>	<b>42.3</b>	<b>61.00</b>	<b>16.6</b>	<b>13.0</b>	<b>2.2</b>	<b>6.5</b>	<b>11.02</b>	<b>5.2%</b>
FPL GROUP INC	FPL	\$7,670	-5.4%	42.8	77.80	18.8	11.0	1.5	3.9	10.44	4.9%
GPU INC	GPU	\$3,672	21.9%	29.8	31.96	22.7	8.0	1.1	4.2	7.07	7.1%

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@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

**Bold Blue - Favorable Drivers**

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC

# Intrinsic Value Weekly

**The Long Term for Utilities is a Play on Asset Utilization**

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Company Name	Ticker	Market Value - Equity	Quarterly Sales Growth	Current Price	Free Cash Flow Annuity	NOPAT Margin	PE Ratio	Price/Book Ratio	Price/Cash Flow	Return on Capital	Dividend Yield
GREEN MOUNTAIN POWER CO	GMP	\$40	42.7%	7.4	-20.82	2.2	371.9	0.4	3.0	1.38	7.4%
HAWAIIAN ELECTRIC INDS	HE	\$930	4.0%	28.9	18.65	29.7	10.8	1.1	4.3	11.22	8.6%
IDACORP INC	IDA	\$1,008	-29.6%	26.8	38.14	17.0	11.1	1.4	6.0	8.49	6.9%
ILLINOVA CORP	ILN	\$2,430	9.4%	34.8	-566.40	(93.8)	(1.9)	2.1	(2.1)	(38.68)	3.6%
INDIANA ENERGY INC	IEI	\$529	-1.8%	17.8	29.77	16.3	12.7	1.7	6.9	12.42	5.5%
IPALCO ENTERPRISES INC	IPL	\$1,463	2.9%	17.1	29.52	31.6	12.3	2.6	6.4	13.07	3.5%
KANSAS CITY POWER & LIGHT	KLT	\$1,366	-4.1%	22.1	36.74	28.0	17.1	1.5	5.8	9.09	7.5%
KEYSPAN CORP	KSE	\$3,112	23.9%	23.2	-23.42	(1.1)	(82.8)	1.0	23.6	(0.40)	7.7%
KINDER MORGAN INC	KMI	\$1,431	39.4%	20.2	-10.32	7.5	403.8	1.1	5.4	6.02	1.0%
LG&E ENERGY CORP	LGE	\$2,261	37.5%	17.4	24.99	19.4	10.6	1.8	6.2	10.50	7.3%
MCN ENERGY GROUP INC	MCN	\$2,034	31.8%	23.8	-15.25	3.2	(395.8)	2.4	22.2	1.56	4.3%
MIDAMERICAN ENERGY HOLDI	MEC	\$2,017	76.8%	33.7	-19.40	18.1	11.2	2.4	4.3	6.44	0.0%
MINNESOTA POWER INC	MPL	\$1,243	8.6%	16.9	-51.29	(26.1)	15.0	1.6	7.5	(8.41)	6.3%
<b>MONTANA POWER CO</b>	<b>MTP</b>	<b>\$3,974</b>	<b>7.3%</b>	<b>36.1</b>	<b>29.86</b>	<b>24.3</b>	<b>25.6</b>	<b>3.6</b>	<b>14.2</b>	<b>11.65</b>	<b>2.2%</b>
NATIONAL FUEL GAS CO	NFG	\$1,802	11.0%	46.5	13.70	8.5	15.6	2.0	11.8	4.40	4.0%
NEW CENTURY ENERGIES INC	NCE	\$3,509	-6.9%	30.4	59.95	19.0	9.7	1.3	5.6	9.77	7.6%
NEW ENGLAND ELECTRIC SYS	NES	\$3,059	5.0%	51.8	61.89	17.9	20.7	2.0	7.7	9.02	4.6%
<b>NEW JERSEY RESOURCES</b>	<b>NJR</b>	<b>\$697</b>	<b>57.3%</b>	<b>39.1</b>	<b>45.62</b>	<b>11.8</b>	<b>15.6</b>	<b>2.4</b>	<b>9.8</b>	<b>10.37</b>	<b>4.4%</b>
NIAGARA MOHAWK HOLDINGS	NMK	\$2,611	5.6%	13.9	-38.81	4.4	(139.4)	0.8	11.1	1.40	0.0%
NICOR INC	GAS	\$1,529	11.8%	32.5	46.14	14.2	13.3	2.0	6.1	9.63	4.8%
NISOURCE INC	NI	\$2,235	-8.0%	17.9	30.24	14.4	11.7	1.8	4.6	9.17	5.7%
NORTHEAST UTILITIES	NU	\$2,705	27.3%	20.6	-16.65	8.5	(32.6)	1.4	13.3	3.32	1.9%
NORTHERN STATES POWER/M	NSP	\$3,010	6.1%	19.5	35.47	20.9	11.5	1.2	4.8	8.71	7.4%
NORTHWEST NATURAL GAS C	NWNG	\$549	11.2%	21.9	25.75	19.1	15.8	1.3	6.6	7.35	5.6%
NORTHWESTERN CORP	NOR	\$508	172.1%	22.0	-5.02	6.2	13.8	1.8	7.2	5.56	5.0%
NSTAR	NST	\$2,477	7.8%	40.5	74.46	21.0	15.3	1.8	5.7	11.03	4.8%
<b>OGE ENERGY CORP</b>	<b>OGE</b>	<b>\$1,478</b>	<b>37.7%</b>	<b>19.0</b>	<b>46.09</b>	<b>21.2</b>	<b>10.0</b>	<b>1.5</b>	<b>4.9</b>	<b>13.02</b>	<b>7.0%</b>
<b>ONEOK INC</b>	<b>OKE</b>	<b>\$776</b>	<b>28.7%</b>	<b>25.1</b>	<b>67.40</b>	<b>11.9</b>	<b>11.5</b>	<b>0.7</b>	<b>3.3</b>	<b>8.66</b>	<b>4.9%</b>
PECO ENERGY CO	PE	\$6,456	-3.0%	34.8	55.85	24.6	15.4	2.6	6.6	9.81	2.9%
PEOPLES ENERGY CORP	PGL	\$1,189	29.4%	33.5	45.12	14.3	12.8	1.6	7.6	10.06	5.9%
PG&E CORP	PCG	\$7,532	20.2%	20.5	32.83	10.1	10.7	1.0	3.3	6.52	5.9%
PHILADELPHIA SUBURBAN COI	PSC	\$835	0.5%	20.7	21.86	45.0	23.5	2.5	13.0	10.66	3.5%
PIEDMONT NATURAL GAS CO	PNY	\$939	8.3%	30.1	47.59	16.8	16.0	2.0	9.0	12.89	4.6%
<b>PINNACLE WEST CAPITAL</b>	<b>PNW</b>	<b>\$2,590</b>	<b>17.8%</b>	<b>30.6</b>	<b>55.77</b>	<b>26.6</b>	<b>10.0</b>	<b>1.2</b>	<b>4.1</b>	<b>8.02</b>	<b>4.6%</b>
POTOMAC ELECTRIC POWER	POM	\$2,719	6.1%	22.9	24.98	23.5	11.0	1.4	5.8	7.62	7.2%
PP&L RESOURCES INC	PPL	\$3,287	19.0%	22.9	39.47	21.8	8.2	2.0	4.9	8.70	4.4%
PUBLIC SERVICE CO OF N C	PGS	\$665	15.9%	32.3	28.24	16.4	27.2	2.9	13.1	10.00	3.1%
PUBLIC SERVICE CO OF N MEX	PNM	\$663	6.3%	16.3	29.18	16.2	8.3	0.8	3.7	6.97	4.9%
<b>PUBLIC SERVICE ENTRP</b>	<b>PEG</b>	<b>\$7,615</b>	<b>11.6%</b>	<b>34.8</b>	<b>63.28</b>	<b>27.1</b>	<b>10.4</b>	<b>1.5</b>	<b>6.0</b>	<b>9.32</b>	<b>6.2%</b>
PUGET SOUND ENERGY INC	PSD	\$1,638	-4.1%	19.4	44.79	21.3	9.3	1.2	4.9	9.32	9.5%
QUESTAR CORP	STR	\$1,237	21.8%	15.0	21.45	18.7	13.3	1.4	6.1	9.35	4.5%
RELIANT ENERGY INC	REI	\$6,764	42.8%	22.9	40.72	12.9	5.7	1.6	9.5	8.75	6.6%
SCANA CORP	SCG	\$2,784	1.5%	26.9	44.24	29.5	17.5	1.6	7.4	10.09	4.1%
SEMPRA ENERGY	SRE	\$4,176	8.0%	17.4	17.87	11.1	11.0	1.5	3.4	7.88	9.0%

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@AF - Annual Figure

@NA - Not available

@CF - Combined Figure

@SF - SemiAnnual Figure

**Bold Blue - Favorable Drivers**

Source: Standard & Poors Corporation Compustat Research Insight®, Intrinsic Value Associates, LLC

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<b>SIERRA PACIFIC RESOURCES</b>	<b>SRP</b>	<b>\$1,362</b>	<b>46.1%</b>	<b>17.4</b>	<b>29.29</b>	<b>21.8</b>	<b>11.7</b>	<b>1.0</b>	<b>5.7</b>	<b>8.17</b>	<b>5.8%</b>
SOUTHERN CO	SO	\$15,854	8.1%	23.5	27.81	22.8	14.8	1.7	6.5	7.81	5.7%
SOUTHERN UNION CO	SUG	\$597	9.5%	19.1	10.93	10.7	51.7	2.1	12.0	6.63	0.0%
SOUTHWEST GAS CORP	SWX	\$708	2.3%	23.0	41.95	16.8	19.8	1.5	4.9	9.46	3.6%
SOUTHWESTERN ENERGY CO	SWN	\$164	12.8%	6.6	-34.24	(10.9)	17.7	0.9	10.0	(4.68)	3.7%
<b>TECO ENERGY INC</b>	<b>TE</b>	<b>\$2,440</b>	<b>5.8%</b>	<b>18.6</b>	<b>31.00</b>	<b>20.2</b>	<b>12.3</b>	<b>1.6</b>	<b>5.7</b>	<b>10.47</b>	<b>7.0%</b>
TEXAS UTILITIES CO	TXU	\$9,830	1.3%	35.6	60.79	17.7	11.3	1.2	5.3	9.00	6.7%
TNP ENTERPRISES INC	TNP	\$553	1.1%	41.3	71.47	17.1	17.9	1.8	7.8	10.47	2.8%
UNICOM CORP	UCM	\$7,284	-0.5%	33.5	17.98	18.7	12.0	1.6	5.0	5.74	4.8%
UNITED ILLUMINATING CO	UIL	\$736	0.2%	51.4	92.06	23.2	14.4	1.6	5.6	9.23	5.6%
UNITED WATER RESOURCES	UWR	\$1,329	-1.3%	34.2	1.30	23.0	34.5	2.8	14.7	4.79	2.8%
UTILICORP UNITED INC	UCU	\$1,810	69.7%	19.4	32.49	2.8	11.2	1.2	6.3	8.27	6.2%
WASHINGTON GAS LIGHT CO	WGL	\$1,278	4.6%	27.5	32.89	13.5	18.7	2.0	9.8	9.64	4.4%
WICOR INC	WIC	\$1,098	14.0%	29.2	25.11	9.0	21.3	2.7	13.5	9.43	3.1%
WILLIAMS COS INC	WMB	\$13,286	17.3%	30.6	-1.90	9.7	235.1	3.2	16.5	5.13	2.0%
<b>WISCONSIN ENERGY CORP</b>	<b>WEC</b>	<b>\$2,269</b>	<b>13.8%</b>	<b>19.3</b>	<b>29.76</b>	<b>20.2</b>	<b>10.0</b>	<b>1.2</b>	<b>5.1</b>	<b>8.18</b>	<b>8.1%</b>

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