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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Executive Financial Summary
August 2004

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Comparative Statements of Operations - Accrual Basis (Dollars in millions)

	For the Two Months Ended August 31,		<i>Favorable/ (Unfavorable) Variance</i>
	2004	2003	
Operating Revenues:			
Water Sales	\$ 178.8	\$ 176.4	\$ 2.4
Wheeling / Exchange	1.0	-	1.0
RTS	13.3	13.3	0.0
Capacity Charge	4.7	2.6	2.1
Power Sales	4.9	5.4	(0.6)
Total Operating Revenues	202.7	197.8	4.8
Operating Expenses:			
Cost of Water	53.1	58.3	5.2
Operations & Maintenance	42.7	43.3	0.5
Grant Expense	13.5	-	(13.5)
Water Management Programs, Net	5.3	6.9	1.7
Depreciation & Amortization	34.2	33.9	(0.4)
Total Operating Expenses	148.8	142.3	(6.5)
Net Operating Income	53.9	55.5	(1.7)
Other Income (Expense):			
Net Taxes/Annexations	16.0	15.8	0.2
Investment Income	12.2	(6.6)	18.8
Bond Interest Expense	(14.9)	(16.6)	1.7
Other	(1.0)	(0.6)	(0.4)
Total Other Income - Net	12.3	(8.0)	20.3
Net Income	\$ 66.1	\$ 47.6	\$ 18.6
Sales Statistics:			
Water Sales (TAF)	491.9	478.1	13.8
Wheeling/Exchange (TAF)	3.7	-	3.7
Power Sales (mWh)	92.0	102.1	(10.0)
Average Sales Price			
Water Sales	\$ 363.49	\$ 369.03	\$ (5.55)
Wheeling/Exchange	\$ 267.63	n/a	\$ 267.63
Power Sales	\$ 0.05	\$ 0.05	\$ (0.00)

Ratios:

Operating (Operating Expense* divided by Operating Revenue) 56.5 % 54.8 %

* Excludes depreciation/amortization.

Totals may not foot / cross foot due to rounding.

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Comparative Balance Sheets - Accrual Basis (Dollars in millions)

	August 31,		<i>Increase/ (Decrease)</i>
	2004	2003	
Assets:			
Cash and investments at book value (1)	\$ 1,005.3	\$ 908.5	\$ 96.8
Fair Value Adjustment	3.4	2.9	0.5
Accounts Receivable	345.6	339.7	5.9
Property, Plant and Equipment, net	5,983.9	5,751.5	232.4
Participation Rights, net	1,892.5	1,896.0	(3.5)
Deferred Charges and Water Rights	347.1	357.7	(10.6)
Other	92.8	98.3	(5.5)
Total Assets	\$ 9,670.6	\$ 9,354.6	\$ 316.0
Liabilities and Equity:			
Long-Term Debt	\$ 3,472.2	\$ 3,300.2	\$ 172.0
Off-Aqueduct Power Facilities	92.7	96.9	(4.2)
Accounts Payable and Accrued Bond Interest	76.4	75.0	1.4
Deferred Income	160.1	153.8	6.2
State Water Project Obligations	437.8	519.4	(81.6)
Trust Funds and Other	84.9	107.7	(22.9)
Total Liabilities	4,324.0	4,253.1	70.9
Equity	5,346.6	5,101.5	245.1
Total Liabilities and Equity	\$ 9,670.6	\$ 9,354.6	\$ 316.0

Debt as a percent of equity (Long-Term Debt divided by Equity) 64.9 % 64.7 %

(1) Fair value of cash and investments was \$1,008.7 million and \$911.4 million at August 31, 2004 and 2003 respectively.

Totals may not foot / cross foot due to rounding.

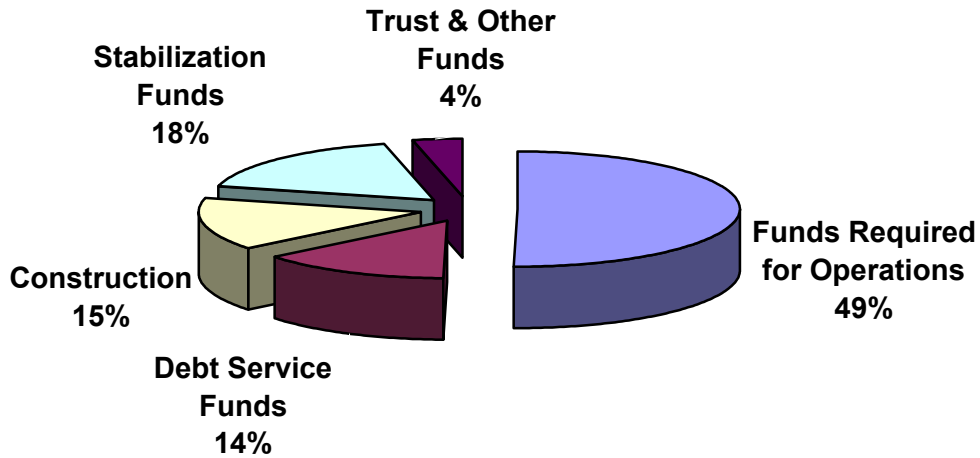
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Cash and Investments at Book Value As of August 31, 2004 (Dollars in millions)

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$83.2	\$168.7	\$253.8	\$505.7
Debt Service Funds	138.9	0.0	0.0	138.9
Construction	73.2	0.0	74.1	147.3
Stabilization Funds	0.0	26.0 (1)	151.6	177.6
Trust & Other Funds	20.7	15.2	0.0	35.8
Total	\$316.0	\$209.9	\$479.5	\$1,005.3

(1) \$26 million restricted for September 2004 cash defeasance.

Totals may not foot / cross foot due to rounding.



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Estimate vs. Actual: Construction Activities - Accrual Basis For the Two Months Ended August 31, 2004 (Dollars in millions)

	Estimate to Date	Actual to Date	<i>Variance from Estimate</i>		Fiscal Year Estimate
			\$	%	
Sources of Funds					
Bond Construction Funds	\$ 36.8	\$ 15.4	\$ 21.5	58%	\$ 300.7
PAYG Funds	23.5	9.8	13.7	58%	100.1
Total	\$ 60.3	\$ 25.2	\$ 35.2	58%	\$ 400.8
Program Expenditures					
Inland Feeder	\$ 12.9	\$ 3.3	\$ 9.6	74%	\$ 75.1
Oxidation Retrofit Programs	13.0	7.2	5.8	45%	74.1
Treatment Plant Improvement	6.4	0.6	5.8	91%	43.1
Skinner Filtration Plant Expansion No. 4	2.6	2.2	0.3	13%	31.0
CRA - Reliability/Containment Programs	2.0	0.9	1.1	55%	27.1
Diamond Valley Lake Recreation	2.3	0.9	1.3	59%	21.0
Diemer - Solids Handling/Water Reclamation	2.9	0.3	2.5	89%	16.6
San Diego Pipeline No. 6	1.1	0.6	0.5	46%	15.0
Distribution System - Rehabilitation Program	1.9	0.5	1.4	75%	14.2
Local Groundwater Storage Agreements	1.2	0.2	1.0	83%	10.7
Other	14.0	8.4	5.6	40%	72.9
Total	\$ 60.3	\$ 25.2	\$ 35.2	58%	\$ 400.8

Totals may not foot / cross foot due to rounding.