



**DTE Energy Executive Vice President and Chief Financial Officer Dave Meador.**

Our financial health improved considerably in 2005 and we expect to continue the momentum in 2006. I'm pleased with the progress we're making.

Driving DTE Energy's success is a proven business strategy that positions us well for continued growth.

The financial performance of our two utilities and the regulatory environment in which they operate significantly improved in 2005. Planned and mandated investments in Detroit Edison and MichCon may significantly grow our asset base by one third, generating additional net income of \$145 million from 2005 to 2010. We will support this investment through our broad cost reduction program now under way, while improving customer satisfaction.

In addition, we are successfully reinvesting cash into our non-utility businesses to grow

their scale and scope. We shed two under-performing businesses to focus on three segments where we see the greatest earnings potential: power and industrial projects, unconventional gas production, and fuel transportation and marketing. We have a full pipeline of investment opportunities.

I am committed to funding our growth while maintaining a strong balance sheet and cash flow. We reduced parent company debt \$120 million in 2005 and plan to continue to manage the enterprise debt to the appropriate level. We improved our cash flow, and consistently meet our cash flow targets.

I am committed to continue improving our credit metrics. My goal is solid investment grade ratings from all rating agencies.

I am committed to maintaining an attractive dividend yield. Our company has paid a dividend every quarter for the past 96 years. At 4.8 percent, today it's one of the strongest yields in the industry.

And, I am committed to continued earnings growth. Our 2005 net income was 25 percent above 2004, and we expect an improvement in 2006. However, net income will increase by virtue of excluding certain non-recurring items, which are expected to be materially higher than previous years. As we grow, we will closely manage the company's financial risk and maintain an environment of strong internal controls.

Achieving these financial objectives is my highest priority.

**David E. Meador**  
Executive Vice President and  
Chief Financial Officer