

FIVE-YEAR COMPARATIVE FINANCIAL HIGHLIGHTS

ACCRUAL BASIS (Dollars in millions)	Fiscal Year Ended June 30,				
	2006	2005	2004	2003	2002
Operational (acre-feet ⁽¹⁾ in thousands)					
Water sales by type:					
Treated water	1,401	1,346	1,540	1,371	1,396
Untreated water	680	705	878	901	931
Total water sales	2,081	2,051	2,418	2,272	2,327
Water sales usage:					
Domestic and municipal uses (full service)	1,710	1,579	2,014	1,825	1,838
Agricultural uses	122	115	143	131	151
Seasonal storage & other	249	357	261	316	338
Total water sales	2,081	2,051	2,418	2,272	2,327
Balance Sheet					
Total assets	\$ 9,964	\$ 9,761	\$ 9,341	\$ 8,990	\$ 8,833
Long-term liabilities	(3,972)	(3,804)	(3,582)	(3,456)	(3,527)
Other liabilities	(490)	(525)	(476)	(478)	(430)
Net assets	\$ 5,502	\$ 5,432	\$ 5,283	\$ 5,056	\$ 4,876
Capital Assets					
Plant and equipment	\$ 7,888	\$ 7,377	\$ 7,004	\$ 6,704	\$ 6,467
Participation rights	326	314	248	247	245
Accumulated depreciation and amortization	(1,247)	(1,167)	(1,084)	(1,017)	(941)
Total capital assets, net	\$ 6,967	\$ 6,524	\$ 6,168	\$ 5,934	\$ 5,771
Operating Revenues and Expenses					
Revenues	\$ 971	\$ 911	\$ 1,017	\$ 945	\$ 967
Operating expenses	(737)	(600)	(592)	(593)	(674)
Depreciation and amortization	(205)	(210)	(202)	(203)	(177)
Operating income	\$ 29	\$ 101	\$ 223	\$ 149	\$ 116
Debt as Percent of Net Assets ⁽²⁾	70%	69%	67%	66%	70%
Weighted Average Interest Rate on Outstanding Debt	4.12%	3.93%	3.61%	3.96%	4.23%
Debt Service Coverage Ratio ⁽³⁾	1.84	2.51	2.50	3.29	2.45
Credit Ratings		Fitch Ratings	Moody's Investors Service	Standard & Poor's	
General obligation bonds		AAA	Aaa	AAA	
Water revenue bonds ⁽⁴⁾ – fixed rate		AA+	Aa2	AA+	
Water revenue bonds ⁽⁴⁾ – variable rate		F1+	VMIG 1	A1+	

(1) An acre-foot is about 325,900 gallons and represents the needs of two average families, in and around the home for one year.

(2) Long-term debt, including current portion due in one year, divided by net assets.

(3) Coverage ratio on all obligations. Fiscal years 2004 and prior restated.

(4) Certain of Metropolitan's water revenue bonds are insured and have a Moody's rating of "Aaa" and a S&P rating of "AAA."

Certain reclassifications of fiscal years 2005 and prior amounts have been made to conform to the current year's presentation.