Enterprise Products Partners L.P.

2008 ANNUAL REPORT




PARTNERSHIP PROFILE

Enterprise Products Partners L.P. is one of the largest publicly traded energy partnerships with an enterprise value of approximately $19 billion and is a leading North American provider of midstream energy services to producers and consumers of natural gas, natural gas liquids ("NGLs"), crude oil and certain petrochemicals. Enterprise transports natural gas, NGLs, crude oil and petrochemicals through approximately 36,000 miles of onshore and offshore pipelines.

With the only integrated North American midstream energy network complete with import and export services, Enterprise links producers of natural gas, NGLs and crude oil from the largest supply basins in the United States, Canada and the Gulf of Mexico with the largest U.S. consumers and international markets.

FINANCIAL HIGHLIGHTS

(Amounts in thousands except per unit amounts)	2008	2007	2006	2005	2004
INCOME STATEMENT DATA:					
Revenues from consolidated operations	$ 21,905,656	$ 16,950,125	$ 13,990,969	$ 12,256,959	$ 8,321,202
Equity in earnings of unconsolidated affiliates	$ 59,104	$ 29,658	$ 21,565	$ 14,548	$ 52,787
Gross operating margin[1]	$ 2,057,469	$ 1,492,068	$ 1,362,449	$ 1,136,347	$ 655,191
Adjusted EBITDA[2]	$ 1,986,586	$ 1,428,728	$ 1,329,410	$ 1,120,554	$ 638,386
Operating income	$ 1,413,246	$ 883,037	$ 860,052	$ 663,016	$ 422,994
Net income	$ 954,021	$ 533,674	$ 601,155	$ 419,508	$ 268,261
Fully diluted earnings per unit	$ 1.85	$ 0.96	$ 1.22	$ 0.91	$ 0.87
Number of units for fully diluted calculation	437,582	434,427	414,759	382,963	266,045
BALANCE SHEET DATA:					
Total assets	$ 17,957,535	$ 16,608,007	$ 13,989,718	$ 12,591,016	$ 11,315,461
Total debt	$ 9,108,410	$ 6,906,145	$ 5,295,590	$ 4,833,781	$ 4,281,236
Minority interest	$ 393,649	$ 430,418	$ 129,130	$ 103,169	$ 71,040
Combined equity/partners' equity	$ 6,084,988	$ 6,131,649	$ 6,480,233	$ 5,679,309	$ 5,328,785
OTHER FINANCIAL DATA:					
Net capital expenditures	$ 1,953,676	$ 2,128,253	$ 1,280,578	$ 817,449	$ 173,192
Business acquisitions, net of cash received[3]	$ 202,160	$ 35,793	$ 276,500	$ 326,602	$ 696,745
Investments in and advances to unconsolidated affiliates	$ 134,131	$ 343,009	$ 127,422	$ 88,044	$ 64,412
Total[4]	$ 2,289,967	$ 2,507,055	$ 1,684,500	$ 1,232,095	$ 934,349
Distributable cash flow[2]	$ 1,378,186	$ 1,001,161	$ 977,580	$ 906,079	$ 540,493
Cash distributions declared per common unit[5]	$ 2.08	$ 1.95	$ 1.83	$ 1.70	$ 1.54
Annual cash distribution rate at December 31[5]	$ 2.12	$ 2.00	$ 1.87	$ 1.75	$ 1.60

(1) Gross operating margin represents operating income before depreciation, amortization and accretion, lease expense obligations retained by the Partnership's largest unitholder, EPCO, Inc., gain or loss from sale of assets and general and administrative expenses. Gross operating margin also includes the Partnership's equity earnings from unconsolidated affiliates.

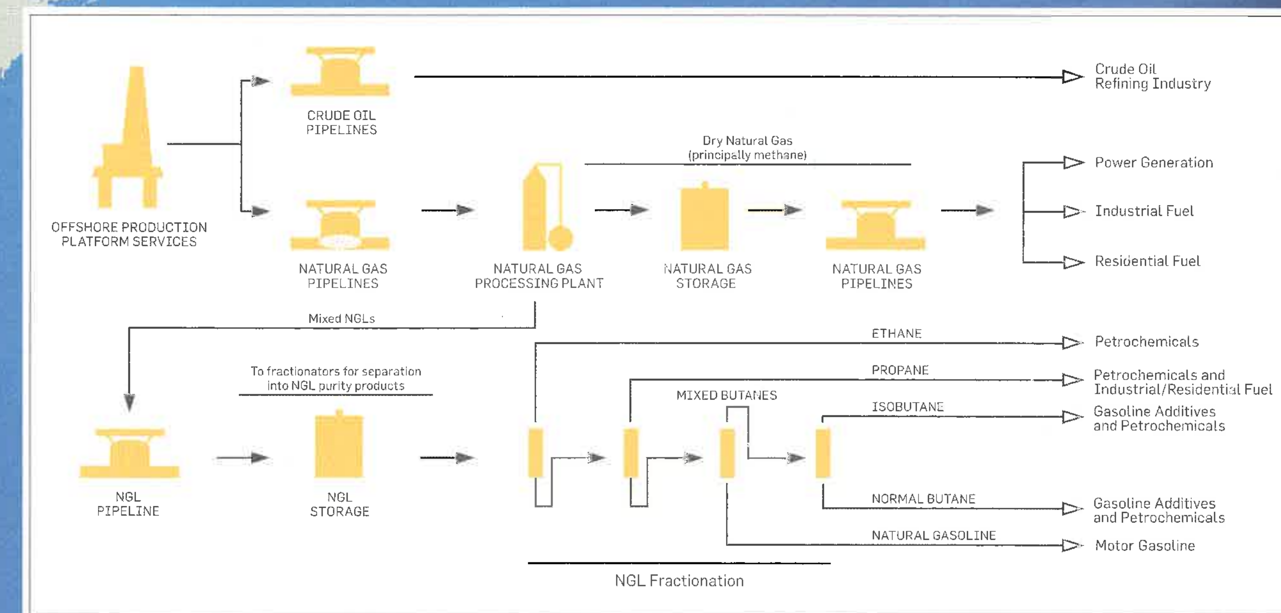
(2) For a reconciliation of GAAP financial statements to non-GAAP financial measures, see page 106.

(3) The amount for 2004 is net of $2,910,771 of non-cash consideration issued or granted relating to the GulfTerra merger.

(4) Sum of net capital expenditures, business acquisitions, net of cash received and the value of non-cash consideration relating to the GulfTerra merger and investments in and advances to unconsolidated affiliates.

(5) Cash distributions declared per common unit represent cash distributions declared with respect to the four fiscal quarters of each year presented. The annual cash distribution rate at December 31 is the quarterly rate declared for the fourth quarter annualized.


ENTERPRISE PRODUCTS PARTNERS L.P.
SYSTEM MAP
JONAH/PINEDALE
PICEANCE
SAN JUAN
MID-CONTINENT
PERMIAN
BARNETT SHALE
HAYNESVILLE
MT. BELVIEU
Gulf of Mexico
Natural Gas Pipelines
Crude Oil Pipelines
NGL Pipelines
Propylene Pipelines
Natural Gas/NGL Storage Facility
NGL Terminal/Storage
Natural Gas Processing/Treating Plant
NGL/Propylene Fractionation Facility
Isomerization Facility
Octane Enhancement Facility
Platform
Import/Export Terminal


OFFSHORE PRODUCTION PLATFORM SERVICES
CRUDE OIL PIPELINES
Crude Oil Refining Industry
NATURAL GAS PIPELINES
NATURAL GAS PROCESSING PLANT
Dry Natural Gas (principally methane)
NATURAL GAS STORAGE
NATURAL GAS PIPELINES
Power Generation
Industrial Fuel
Residential Fuel
Mixed NGLs
NGL PIPELINE
To fractionators for separation into NGL purity products
NGL STORAGE
ETHANE
Petrochemicals
PROPANE
Petrochemicals and Industrial/Residential Fuel
MIXED BUTANES
ISOBUTANE
Gasoline Additives and Petrochemicals
NORMAL BUTANE
Gasoline Additives and Petrochemicals
NATURAL GASOLINE
Motor Gasoline
NGL Fractionation


MT. BELVIEU

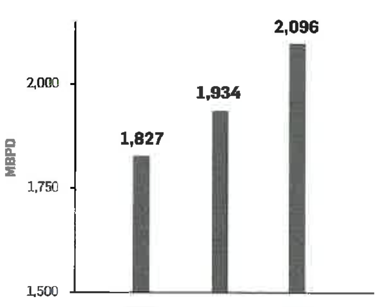
LETTER TO PARTNERS
OF ENTERPRISE PRODUCTS PARTNERS L.P.

Enterprise posted another record year in 2008. We completed construction and began operations at new energy infrastructure facilities that totaled $1.4 billion of capital investment. Our partnership set new marks for operating and financial performance despite the effects of two hurricanes on our Gulf Coast assets and those of our customers; the commodity price rollercoaster; and the emergence of a global credit crisis and economic recession. This record performance enabled us to achieve our goal of increasing Enterprise's cash distribution rate at the end of 2008 to an annualized $2.12 per unit and to exceed our target of retaining $200 million of distributable cash flow by more than 50 percent. We also took proactive steps to strengthen our liquidity and demonstrated our ability to raise debt and equity capital in difficult markets. As a result, our partnership begins 2009 in a solid financial position with approximately $1.6 billion of liquidity.

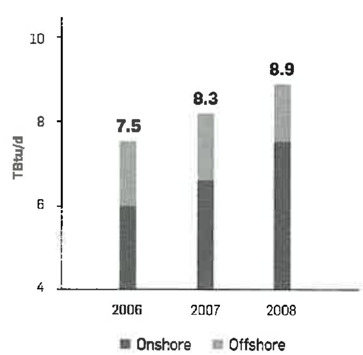
ANOTHER RECORD YEAR

Our system of midstream energy assets transported a record 2.1 million barrels per day ("BPD") of NGLs, crude oil and petrochemicals and 8.9 trillion British thermal units per day ("TBtu/d") of natural gas. The partnership increased its NGL fractionation volumes to a record 429,000 BPD. In addition, Enterprise's equity NGL production, the NGLs that we earn title to by providing natural gas processing services, increased to a record 108,000 BPD. These record volumes led to a significant increase in earnings and cash flow. Gross operating margin for 2008 increased by 38 percent to a record $2.1 billion while net income increased 79 percent to a record $954 million despite approximately $125 million of negative effects due to estimated lost business and property damage expense as a result of Hurricanes Gustav and Ike.

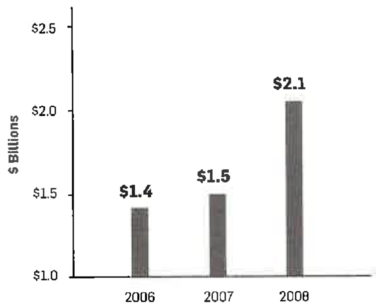
NGL, CRUDE OIL & PETROCHEMICAL PIPELINE VOLUMES



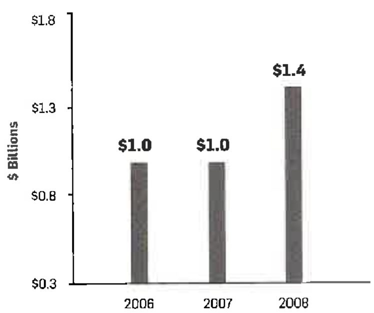
ONSHORE & OFFSHORE NATURAL GAS PIPELINE VOLUMES



GROSS OPERATING MARGIN



DISTRIBUTABLE CASH FLOW

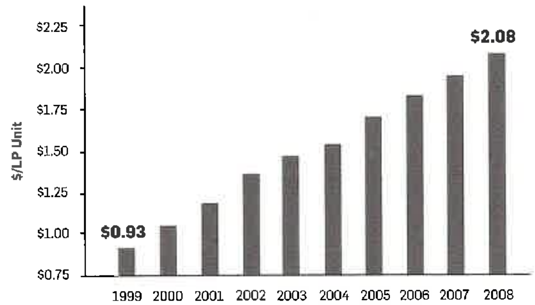


Gross operating margin for our NGL Pipelines and Services segment increased by approximately 60 percent to a record $1.3 billion. This segment benefited from the completion of construction and commencement of operations at several large capital projects, including our Meeker and Pioneer natural gas processing plants in the Rocky Mountains, the expansion of our Mid-America NGL pipeline system and our Hobbs NGL fractionator. This segment also benefited from strong natural gas processing margins as demand for NGLs increased as an attractive alternative to higher cost crude oil derivatives. In our natural gas processing business, we hedged the margins related to approximately 80 percent of our 2008 equity NGL production at very attractive margins, but frankly left some upside on the table as energy prices increased to historic levels in the first half of the year. We believe our decision to hedge was appropriate to limit the earnings variability of this business. We have taken similar actions to hedge approximately 70 percent of our expected 2009 equity NGL production at margins that are significantly higher than those in early 2009.

Our Onshore Natural Gas Pipelines and Services segment reported a 23 percent increase in gross operating margin to $411 million on a 13 percent increase in volumes transported by our pipelines. Our NGL and natural gas marketing groups did an excellent job of adding value and increasing volumes through our network of assets.

Distributable cash flow for 2008 increased 38 percent to a record $1.4 billion. This growth supported four distribution increases during the year. Our distributions declared with respect to 2008 increased 7 percent to $2.08 per unit from $1.95 per unit in 2007. In addition, Enterprise retained approximately $313 million, or 22 percent, of distributable cash flow to reinvest in growth capital projects, retire debt and partially avoid the effects of higher costs of capital due to the volatility in the financial markets.

GROWTH IN CASH DISTRIBUTIONS PAID TO PARTNERS



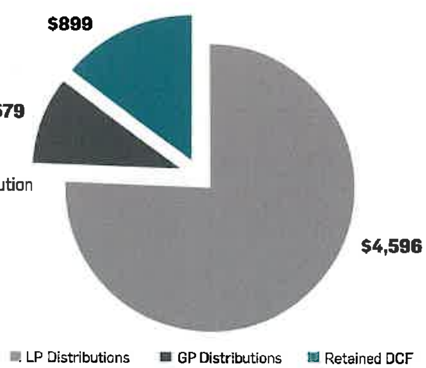
Our financial objectives are the same today as they were when we completed our initial public offering 10 years ago:

- to invest in growth opportunities to build or acquire energy infrastructure that will generate returns on investment greater than our cost of capital to create economic value;
- to provide our partners with periodic increases in cash distributions and an attractive total return on their investment; and
- to preserve our financial flexibility and maintain an investment grade balance sheet as we pursue our goals.

We have a history of balancing distribution growth with the retention of distributable cash flow. Since 1998, Enterprise has generated $6.1 billion of distributable cash flow. The partnership has paid aggregate distributions of $4.6 billion to our limited partners over 42 consecutive quarters. We have increased the distribution rate 27 times by a total of 136 percent, including distribution increases in each of the last 18 consecutive quarters. We also retained approximately $900 million, or 15 percent, of Enterprise's total distributable cash flow. We have used this retained capital to invest in the growth of the partnership, to retire debt, to limit the need to issue new equity, as well as to insulate our partners from earnings variability in some of our businesses.

HISTORY OF FINANCIAL DISCIPLINE
MANAGING DISTRIBUTABLE CASH FLOW (DCF)
$ in millions

15% DCF Reinvested in Partnership (1999-2008)



LOWER COST OF CAPITAL MAKES A DIFFERENCE

Part of Enterprise's success in growing the partnership and consistently increasing cash distributions to partners is our lower cost of capital. This is largely attributable to the pioneering action of our general partner in 2002 to eliminate the 50 percent tier of its incentive distribution rights and capping these rights at 25 percent. This single action has saved Enterprise approximately $370 million in aggregate distributions that would have otherwise been paid to our general partner without any economic value in return. Based on our current annualized cash distribution rate of $2.12 per unit, Enterprise is saving $165 million per year in avoided distributions to the general partner, or approximately $0.37 per limited partner unit. This additional financial flexibility enables us to retain more distributable cash flow as we increase our cash distribution rate and allows us to generate more distributable cash flow accretion from investments in new assets and acquisitions. Some partnerships are now beginning to recognize the burden to growth that 50 percent incentive distribution rights can ultimately cause.

$1.4 BILLION OF NEW ASSETS PUT TO WORK IN 2008; $1.9 BILLION MORE TO COME IN 2009

Enterprise completed construction on new energy infrastructure assets and acquisitions totaling over $1.4 billion of investment in 2008. Our major organic growth projects completed during the year were primarily focused in the Rocky Mountains and included the Pioneer cryogenic natural gas processing plant in the Jonah/Pinedale area and the ExxonMobil central treating facility and White River natural gas hub in the Piceance Basin. These projects integrate with our natural gas pipeline assets in the area and our NGL system which extends to the major market areas on the Texas and Louisiana Gulf Coast.

We also completed three acquisitions in late 2008. The largest was a $125 million purchase of the Great Divide natural gas pipeline in the Piceance Basin. This pipeline, with 1 billion cubic feet per day ("Bcf/d") of capacity, integrates with our existing natural gas pipelines in the Piceance Basin and our 1.5 Bcf/d Meeker natural gas processing complex. The Great Divide pipeline extends our natural gas pipeline system further into the basin and brings additional volume to our downstream natural gas and NGL assets. The other noteworthy transaction was the $57 million investment to acquire the remaining ownership interests in the 1,400-mile Dixie NGL pipeline system. Through our ownership of 100 percent of this major FERC-regulated pipeline, we believe we can make additional investments to provide our customers with more value-added services that should enhance the return on our investment in Dixie.

We expect to complete construction on $1.9 billion of organic growth projects in 2009. Three of these projects totaling $1.2 billion of investment were completed in the first quarter of 2009. The largest of these projects is the Sherman Extension, a 1.1 Bcf/d expansion of our Texas Intrastate natural gas pipeline system serving the Barnett Shale region. We also began commercial operations at the Meeker II natural gas processing plant in the

Piceance Basin, which increases the capacity of our Meeker natural gas processing complex to 1.5 Bcf/d with the capability to extract up to 75,000 BPD of NGLs. The partnership began flowing crude oil on its 230,000 BPD Shenzi pipeline in the Gulf of Mexico, which integrates with and provides additional volumes to our downstream Cameron Highway and Poseidon crude oil pipeline systems. We expect to complete approximately $350 million of investment in expansions of our natural gas pipeline systems in the Piceance Basin and Barnett Shale during the second half of 2009.

GEOGRAPHIC FOOTPRINT CONTINUES TO PROVIDE GROWTH OPPORTUNITIES

The most important attribute of a successful midstream energy company is connecting large, long-life producing areas of natural gas, NGLs and crude oil with the major markets for these hydrocarbons. We believe Enterprise's large geographic footprint is one of the best in the natural gas and NGL industry. Our integrated system of assets includes approximately 36,000 miles of pipelines extending through 21 states and the Gulf of Mexico. We serve areas representing approximately 92 percent of the production and 88 percent of proved reserves in the lower 48 states. This includes prolific, low-cost producing areas for natural gas such as the Jonah/Pinedale, Piceance Basin, San Juan Basin and Barnett Shale areas, as well as the nearby Haynesville Shale. Offshore, we developed the Independence Hub platform and Trail pipeline project which currently transports more than 12 percent of the natural gas produced from the Gulf of Mexico. In total, our 20,000 miles of natural gas pipelines transport approximately 20 percent of natural gas production in the United States. We also own interests in two of the largest crude oil pipelines in the Gulf of Mexico, which is the largest source of domestically produced crude oil supplies in the United States.

On the consuming end, we serve the Texas and Louisiana natural gas and NGL markets, which are the largest in the United States. Our NGL pipelines access petrochemical production facilities that represent approximately 97 percent of U.S. ethylene capacity and refineries that represent approximately 90 percent of the motor gasoline refining capacity east of the Rockies.

Enterprise's Mid-America Pipeline system is the largest single supplier of propane to the Midwest market, and the partnership's Dixie Pipeline is the major supplier of propane to the Southeast market, which extends from Texas to South Carolina.

We believe Enterprise is well situated to continue developing energy infrastructure projects to serve domestic producers and consumers of hydrocarbons. Over the last three years, our largest expansion opportunities have been in the partnership's NGL business. In the coming years, however, we believe our most significant growth projects will shift to natural gas pipeline assets. This trend will help further diversify our sources of cash flow. Given the current state of the capital markets and economic recession, we are being very deliberate in prioritizing and allocating capital to our portfolio of growth projects under development.

In closing, we would like to recognize the efforts of our employees and would also like to thank our debt investors and equity partners for their continuing support, especially for the success of our recent offerings during these difficult financial markets. We are counting on your continued support as we start 2009.

Dan L. Duncan

Dan L. Duncan
Chairman

Michael A. Creel
President and Chief Executive Officer

Dan L. Duncan
Chairman
Michael A. Creel
President and Chief Executive Officer

COMPANY INFORMATION

STOCK EXCHANGE AND COMMON UNIT TRADING PRICES

Enterprise Products Partners L.P. ("Enterprise") common units trade on the New York Stock Exchange under the ticker symbol EPD. Enterprise had 439,354,731 common units outstanding and 2,080,600 restricted common units at December 31, 2008. For a complete description of these units, see page 69. For a table of the high and low market prices of the common units by quarter, see page 7.

CASH DISTRIBUTIONS

Enterprise has paid 42 consecutive quarterly cash distributions to unitholders since its initial public offering of common units in 1998. On January 8, 2009, the partnership declared a quarterly distribution of $0.53 per unit. This distribution was paid to unitholders of record at the close of business on January 30, 2009. For a summary of the cash distributions paid, see page 73.

PUBLICLY TRADED PARTNERSHIP ATTRIBUTES

Enterprise is a publicly traded limited partnership, which operates in the following ways that are different from a publicly traded stock corporation:

- Unitholders own limited partnership units instead of shares of common stock and receive cash distributions rather than dividends.
- A partnership generally is not a taxable entity and does not pay federal or state income taxes. All of the annual income, gains, losses, deductions or credits flow through the partnership to the unitholders on a per-unit basis. The unitholders are required to report their allocated share of these amounts on their income tax returns whether or not any cash distributions are paid by the partnership to its unitholders.
- Cash distributions paid by a partnership to a unitholder are generally not taxable, unless the amount of any cash distributed is in excess of the unitholder's adjusted basis in their partnership interest.

K-1 INFORMATION

Enterprise provides each unitholder a Schedule K-1 tax package that includes each unitholder's allocated share of reportable partnership items and other partnership information necessary to be reported on state and federal income tax returns. The K-1 provides required tax information for a unitholder's ownership interest in the partnership, just as a Form 1099-DIV does for a stockholder's ownership interest in a corporation.

Information concerning the partnership's K-1s can be obtained by calling toll free 800.599.9985 or through the partnership's website at www.epplp.com.

REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP
Houston, TX

TRANSFER AGENT, REGISTRAR AND CASH DISTRIBUTION PAYING AGENT

BNY Mellon Shareowner Services
480 Washington Blvd.
Jersey City, NJ 07310-2053
800.635.9270
www.bnymellon.com/shareowner/isd

ADDITIONAL INVESTOR INFORMATION

Additional information about Enterprise, including our SEC annual report on Form 10-K, can be obtained by contacting Investor Relations by telephone at 866.230.0745, writing to the partnership's mailing address provided below or accessing the partnership's internet home page.

HEADQUARTERS

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