



PNM Resources Elects Four Directors; Reaffirms 2004 Earnings Guidance

Albuquerque, New Mexico

May 20 , 2004

At the PNM Resources (NYSE: PNM) annual meeting May 18, shareholders elected four directors to the PNM Resources Board of Directors. The directors elected are: PNM Resources Chairman, President and Chief Executive Officer Jeff Sterba, who has been a PNM director since 2000; Adelmo Archuleta, a PNM Resources director since July 2003; Bonnie S. Reitz, a director since July 2002; and Joan B. Woodard, a director since July 2003.

Shareholders also approved appointment of Deloitte & Touche LLP as independent public accountants for 2004.

Company management is meeting today with investors at an Edison Electric Institute conference in New York, where management will reaffirm existing earnings guidance for 2004. Based on first quarter results and its financial and operating forecasts for the remainder of the year, PNM Resources expects 2004 ongoing earnings (not including one-time gains and charges) will be in the range of between \$1.90 and \$2.15 per diluted share.

PNM Resources is an energy holding company based in Albuquerque, New Mexico. PNM, the principal subsidiary of PNM Resources, serves about 460,000 natural gas customers and 400,000 electric customers in New Mexico. The company also sells power on the wholesale market in the Western U.S. PNM Resources stock is traded primarily on the NYSE under the symbol PNM.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Statements made in this news release and documents we file with the SEC that relate to future events or our expectations, projections, estimates, intentions, goals, targets and strategies are made pursuant to the Private Securities Litigation Reform Act of 1995. You are cautioned that all forward-looking statements are based upon current expectations and estimates and we assume no obligation to update this information. Because actual results may differ materially from those expressed or implied by the forward-looking statements, PNM Resources cautions you not to place undue reliance on these statements. Many factors could cause actual results to differ, and will affect our future financial condition, cash flow and operating results. These factors include interest rates, weather, fuel costs, changes in supply and demand in the market for electric power, wholesale power prices, market liquidity, the competitive environment in the electric and natural gas industries, the performance of generating units and transmission system, state and federal regulatory and legislative decisions and actions, the outcome of legal proceedings and the performance of state, regional and national economies. For a detailed discussion of the important factors that affect PNM Resources and that could cause actual results to differ from those expressed or implied by our forward-looking statements, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our current and future Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and our current and future Current Reports on Form 8-K, filed with the SEC.

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