

CenterPoint Energy, Inc. and Subsidiaries  
 Statements of Consolidated Income  
 (Millions of Dollars)  
 (Unaudited)

	Quarter Ended	
	March 31,	
	<u>2008</u>	<u>2009</u>
Revenues:		
Electric Transmission & Distribution	\$ 409	\$ 412
Natural Gas Distribution	1,700	1,421
Competitive Natural Gas Sales and Services	1,120	765
Interstate Pipelines	133	153
Field Services	58	57
Other Operations	3	3
Eliminations	(60)	(45)
Total	<u>3,363</u>	<u>2,766</u>
Expenses:		
Natural gas	2,393	1,789
Operation and maintenance	365	413
Depreciation and amortization	158	166
Taxes other than income taxes	111	113
Total	<u>3,027</u>	<u>2,481</u>
Operating Income	<u>336</u>	<u>285</u>
Other Income (Expense) :		
Loss on marketable securities	(54)	(34)
Gain on indexed debt securities	50	22
Interest and other finance charges	(116)	(129)
Interest on transition bonds	(33)	(33)
Equity in earnings of unconsolidated affiliates	9	-
Other - net	4	4
Total	<u>(140)</u>	<u>(170)</u>
Income Before Income Taxes	196	115
Income Tax Expense	<u>(74)</u>	<u>(48)</u>
Net Income	<u>\$ 122</u>	<u>\$ 67</u>

Reference is made to the Notes to the Consolidated Financial Statements contained in the Quarterly Report on Form 10-Q of CenterPoint Energy, Inc.

CenterPoint Energy, Inc. and Subsidiaries  
Selected Data From Statements of Consolidated Income  
(Millions of Dollars, Except Share and Per Share Amounts)  
(Unaudited)

	Quarter Ended March 31,	
	2008	2009
Basic Earnings Per Common Share	\$ 0.37	\$ 0.19
Diluted Earnings Per Common Share	\$ 0.36	\$ 0.19
Dividends Declared per Common Share	\$ 0.1825	\$ 0.19
Weighted Average Common Shares Outstanding (000):		
- Basic	327,279	347,496
- Diluted	339,448	349,157
<u>Operating Income by Segment</u>		
Electric Transmission & Distribution:		
Electric Transmission and Distribution Operations	\$ 54	\$ 37
Competition Transition Charge	5	-
Total Electric Transmission and Distribution Utility	59	37
Transition Bond Companies	32	33
Total Electric Transmission & Distribution	91	70
Natural Gas Distribution	121	118
Competitive Natural Gas Sales and Services	6	2
Interstate Pipelines	71	69
Field Services	45	26
Other Operations	2	-
Total	\$ 336	\$ 285

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CenterPoint Energy, Inc. and Subsidiaries  
Results of Operations by Segment  
(Millions of Dollars)  
(Unaudited)

	<b>Electric Transmission &amp; Distribution</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues:			
Electric transmission and distribution utility	\$ 346	\$ 346	-
Transition bond companies	63	66	5%
Total	<u>409</u>	<u>412</u>	1%
Expenses:			
Operation and maintenance	168	188	(12%)
Depreciation and amortization	66	68	(3%)
Taxes other than income taxes	53	53	-
Transition bond companies	31	33	(6%)
Total	<u>318</u>	<u>342</u>	(8%)
Operating Income	<u>\$ 91</u>	<u>\$ 70</u>	(23%)
Operating Income:			
Electric transmission and distribution operations	\$ 54	\$ 37	(31%)
Competition transition charge	5	-	(100%)
Transition bond companies	32	33	3%
Total Segment Operating Income	<u>\$ 91</u>	<u>\$ 70</u>	(23%)

**Electric Transmission & Distribution  
Operating Data:**

<b>Actual MWH Delivered</b>			
	2008	2009	% Diff
Residential	4,403,312	3,966,519	(10%)
Total	16,569,691	15,142,308	(9%)

**Weather (average for service area):**

Percentage of 10-year average:			
	2008	2009	% Diff
Cooling degree days	124%	120%	(4%)
Heating degree days	96%	89%	(7%)

**Number of metered customers - end of period:**

	2008	2009	% Diff
Residential	1,806,542	1,838,766	2%
Total	2,048,316	2,082,930	2%

**Natural Gas Distribution**

	<b>Natural Gas Distribution</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues			
	\$ 1,700	\$ 1,421	(16%)
Expenses:			
Natural gas	1,333	1,045	22%
Operation and maintenance	156	169	(8%)
Depreciation and amortization	39	40	(3%)
Taxes other than income taxes	51	49	4%
Total	<u>1,579</u>	<u>1,303</u>	17%
Operating Income	<u>\$ 121</u>	<u>\$ 118</u>	(2%)
<b>Natural Gas Distribution Operating Data:</b>			
<b>Throughput data in BCF</b>			
Residential	84	78	(7%)
Commercial and Industrial	83	73	(12%)
Total Throughput	<u>167</u>	<u>151</u>	(10%)
<b>Weather (average for service area)</b>			
Percentage of 10-year average:			
Heating degree days	106%	102%	(4%)
<b>Number of customers - end of period:</b>			
Residential	2,974,411	2,996,455	1%
Commercial and Industrial	251,612	246,405	(2%)
Total	<u>3,226,023</u>	<u>3,242,860</u>	1%

CenterPoint Energy, Inc. and Subsidiaries  
Results of Operations by Segment  
(Millions of Dollars)  
(Unaudited)

	<b>Competitive Natural Gas Sales and Services</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues	\$ 1,120	\$ 765	(32%)
Expenses:			
Natural gas	1,105	752	32%
Operation and maintenance	8	10	(25%)
Depreciation and amortization	1	1	-
Taxes other than income taxes	-	-	-
Total	1,114	763	32%
Operating Income	\$ 6	\$ 2	(67%)
 <b>Competitive Natural Gas Sales and Services</b>			
<b>Operating Data:</b>			
<b>Throughput data in BCF</b>	138	141	2%
 <b>Number of customers - end of period</b>	8,751	10,862	24%

	<b>Interstate Pipelines</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues	\$ 133	\$ 153	15%
Expenses:			
Natural gas	15	29	(93%)
Operation and maintenance	30	35	(17%)
Depreciation and amortization	12	12	-
Taxes other than income taxes	5	8	(60%)
Total	62	84	(35%)
Operating Income	\$ 71	\$ 69	(3%)
 <b>Pipelines Operating Data:</b>			
<b>Throughput data in BCF</b>			
Transportation	424	467	10%

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CenterPoint Energy, Inc. and Subsidiaries  
Results of Operations by Segment  
(Millions of Dollars)  
(Unaudited)

	<b>Field Services</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues	\$ 58	\$ 57	(2%)
Expenses:			
Natural gas	(2)	7	(450%)
Operation and maintenance	11	19	(73%)
Depreciation and amortization	3	4	(33%)
Taxes other than income taxes	1	1	-
Total	<u>13</u>	<u>31</u>	(138%)
Operating Income	<u>\$ 45</u>	<u>\$ 26</u>	(42%)

**Field Services Operating Data:**

**Throughput data in BCF**

	2008	2009	
Gathering	<u>98</u>	<u>104</u>	6%

	<b>Other Operations</b>		
	Quarter Ended		% Diff Fav/(Unfav)
	March 31,		
	2008	2009	
<b>Results of Operations:</b>			
Revenues	\$ 3	\$ 3	-
Expenses	1	3	(200%)
Operating Income	<u>\$ 2</u>	<u>\$ -</u>	(100%)

**Capital Expenditures by Segment**

(Millions of Dollars)  
(Unaudited)

	Quarter Ended	
	March 31,	
	2008	2009
<b>Capital Expenditures by Segment</b>		
Electric Transmission & Distribution	\$ 89	\$ 81
Hurricane Ike	-	16
Total Electric Transmission & Distribution	89	97
Natural Gas Distribution	38	34
Competitive Natural Gas Sales and Services	1	1
Interstate Pipelines	28	47
Field Services	18	38
Other Operations	8	7
Total	<u>\$ 182</u>	<u>\$ 224</u>

**Interest Expense Detail**

(Millions of Dollars)  
(Unaudited)

	Quarter Ended	
	March 31,	
	2008	2009
<b>Interest Expense Detail</b>		
Amortization of Deferred Financing Cost	\$ 6	\$ 9
Capitalization of Interest Cost	(3)	(2)
Transition Bond Interest Expense	33	33
Other Interest Expense	113	122
Total Interest Expense	<u>\$ 149</u>	<u>\$ 162</u>

Reference is made to the Notes to the Consolidated Financial Statements contained in the Quarterly Report on Form 10-Q of CenterPoint Energy, Inc.

CenterPoint Energy, Inc. and Subsidiaries  
Condensed Consolidated Balance Sheets  
(Millions of Dollars)  
(Unaudited)

	December 31, 2008	March 31, 2009
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 167	\$ 65
Other current assets	2,868	2,009
Total current assets	3,035	2,074
<b>Property, Plant and Equipment, net</b>	10,296	10,400
<b>Other Assets:</b>		
Goodwill	1,696	1,696
Regulatory assets	3,684	3,643
Other non-current assets	965	997
Total other assets	6,345	6,336
<b>Total Assets</b>	\$ 19,676	\$ 18,810
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Short-term borrowings	\$ 153	\$ 215
Current portion of transition bond long-term debt	208	211
Current portion of other long-term debt	125	133
Other current liabilities	2,362	1,636
Total current liabilities	2,848	2,195
<b>Other Liabilities:</b>		
Accumulated deferred income taxes, net and investment tax credit	2,633	2,608
Regulatory liabilities	821	847
Other non-current liabilities	1,156	1,216
Total other liabilities	4,610	4,671
<b>Long-term Debt:</b>		
Transition bond	2,381	2,274
Other	7,800	7,601
Total long-term debt	10,181	9,875
<b>Shareholders' Equity</b>	2,037	2,069
<b>Total Liabilities and Shareholders' Equity</b>	\$ 19,676	\$ 18,810

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CenterPoint Energy, Inc. and Subsidiaries  
Condensed Statements of Consolidated Cash Flows  
(Millions of Dollars)  
(Unaudited)

	Three Months Ended March 31,	
	2008	2009
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 122	\$ 67
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	166	176
Deferred income taxes	27	30
Write-down of natural gas inventory	-	6
Changes in net regulatory assets	14	21
Changes in other assets and liabilities	226	132
Other, net	12	1
<b>Net Cash Provided by Operating Activities</b>	<u>567</u>	<u>433</u>
<b>Net Cash Used in Investing Activities</b>	(312)	(261)
<b>Net Cash Used in Financing Activities</b>	<u>(314)</u>	<u>(274)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(59)	(102)
<b>Cash and Cash Equivalents at Beginning of Period</b>	129	167
<b>Cash and Cash Equivalents at End of Period</b>	<u>\$ 70</u>	<u>\$ 65</u>

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