

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

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2008	2009	2008	2009
Revenues:				
Electric Transmission & Distribution	\$ 552	\$ 608	\$ 1,471	\$ 1,541
Natural Gas Distribution	550	402	2,976	2,341
Competitive Natural Gas Sales and Services	1,269	399	3,632	1,596
Interstate Pipelines	143	153	468	461
Field Services	71	63	191	176
Other Operations	3	3	8	9
Eliminations	(73)	(52)	(198)	(142)
Total	<u>2,515</u>	<u>1,576</u>	<u>8,548</u>	<u>5,982</u>
Expenses:				
Natural gas	1,532	582	5,675	3,081
Operation and maintenance	371	415	1,078	1,226
Depreciation and amortization	194	208	540	562
Taxes other than income taxes	81	84	285	288
Total	<u>2,178</u>	<u>1,289</u>	<u>7,578</u>	<u>5,157</u>
Operating Income	<u>337</u>	<u>287</u>	<u>970</u>	<u>825</u>
Other Income (Expense) :				
Gain (loss) on marketable securities	(36)	47	(73)	68
Gain (loss) on indexed debt securities	33	(30)	66	(54)
Interest and other finance charges	(116)	(126)	(346)	(384)
Interest on transition bonds	(34)	(32)	(102)	(98)
Equity in earnings of unconsolidated affiliates	23	(3)	46	8
Other - net	6	9	10	31
Total	<u>(124)</u>	<u>(135)</u>	<u>(399)</u>	<u>(429)</u>
Income Before Income Taxes	213	152	571	396
Income Tax Expense	<u>(77)</u>	<u>(38)</u>	<u>(212)</u>	<u>(129)</u>
Net Income	<u>\$ 136</u>	<u>\$ 114</u>	<u>\$ 359</u>	<u>\$ 267</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 September 30,		Nine Months Ended September 30,	
	2008	2009	2008	2009
Basic Earnings Per Common Share	\$ 0.40	\$ 0.31	\$ 1.08	\$ 0.75
Diluted Earnings Per Common Share	\$ 0.39	\$ 0.31	\$ 1.05	\$ 0.74
Dividends Declared per Common Share	\$ 0.1825	\$ 0.19	\$ 0.5475	\$ 0.57
Weighted Average Common Shares Outstanding (000):				
- Basic	342,228	369,512	333,652	356,570
- Diluted	344,584	371,742	342,187	358,745

Operating Income (Loss) by Segment

Electric Transmission & Distribution:				
Electric Transmission and Distribution Operations	\$ 169	\$ 187	\$ 352	\$ 353
Competition Transition Charge	-	-	5	-
Total Electric Transmission and Distribution Utility	169	187	357	353
Transition Bond Companies	33	31	100	97
Total Electric Transmission & Distribution	202	218	457	450
Natural Gas Distribution	(6)	(15)	119	105
Competitive Natural Gas Sales and Services	35	(8)	36	-
Interstate Pipelines	55	64	227	194
Field Services	44	23	121	72
Other Operations	7	5	10	4
Total	\$ 337	\$ 287	\$ 970	\$ 825

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

	Electric Transmission & Distribution					
	Quarter Ended September 30,		% Diff Fav/(Unfav)	Nine Months Ended September 30,		% Diff Fav/(Unfav)
	2008	2009		2008	2009	
Results of Operations:						
Revenues:						
Electric transmission and distribution utility	\$ 455	\$ 503	11%	\$ 1,220	\$ 1,281	5%
Transition bond companies	97	105	8%	251	260	4%
Total	<u>552</u>	<u>608</u>	10%	<u>1,471</u>	<u>1,541</u>	5%
Expenses:						
Operation and maintenance	167	194	(16%)	502	563	(12%)
Depreciation and amortization	71	70	1%	208	207	-
Taxes other than income taxes	48	52	(8%)	153	158	(3%)
Transition bond companies	64	74	(16%)	151	163	(8%)
Total	<u>350</u>	<u>390</u>	(11%)	<u>1,014</u>	<u>1,091</u>	(8%)
Operating Income	<u>\$ 202</u>	<u>\$ 218</u>	8%	<u>\$ 457</u>	<u>\$ 450</u>	(2%)
Operating Income:						
Electric transmission and distribution operations	\$ 169	\$ 187	11%	\$ 352	\$ 353	-
Competition transition charge	-	-	-	5	-	(100%)
Transition bond companies	33	31	(6%)	100	97	(3%)
Total Segment Operating Income	<u>\$ 202</u>	<u>\$ 218</u>	8%	<u>\$ 457</u>	<u>\$ 450</u>	(2%)

**Electric Transmission & Distribution
Operating Data:**

Actual MWH Delivered						
Residential	8,445,744	9,242,635	9%	19,623,125	20,040,598	2%
Total	21,594,051	22,963,434	6%	58,523,281	57,946,697	(1%)

Weather (average for service area):

Percentage of 10-year average:						
Cooling degree days	97%	107%	10%	104%	108%	4%
Heating degree days	0%	0%	0%	95%	89%	(6%)

Number of metered customers - end of period:

Residential	1,824,238	1,849,158	1%	1,824,238	1,849,158	1%
Total	2,068,568	2,094,847	1%	2,068,568	2,094,847	1%

Natural Gas Distribution

	Quarter Ended September 30,		% Diff Fav/(Unfav)	Nine Months Ended September 30,		% Diff Fav/(Unfav)
	2008	2009		2008	2009	
	Results of Operations:					
Revenues						
	\$ 550	\$ 402	(27%)	\$ 2,976	\$ 2,341	(21%)
Expenses:						
Natural gas	351	198	44%	2,196	1,538	30%
Operation and maintenance	139	157	(13%)	436	478	(10%)
Depreciation and amortization	40	40	-	118	121	(3%)
Taxes other than income taxes	26	22	15%	107	99	7%
Total	<u>556</u>	<u>417</u>	25%	<u>2,857</u>	<u>2,236</u>	22%
Operating Income (Loss)	<u>\$ (6)</u>	<u>\$ (15)</u>	(150%)	<u>\$ 119</u>	<u>\$ 105</u>	(12%)
Natural Gas Distribution Operating Data:						
Throughput data in BCF						
Residential	13	13	-	117	111	(5%)
Commercial and Industrial	41	38	(7%)	171	154	(10%)
Total Throughput	<u>54</u>	<u>51</u>	(6%)	<u>288</u>	<u>265</u>	(8%)
Weather (average for service area)						
Percentage of 10-year average:						
Heating degree days	57%	58%	1%	106%	102%	(4%)
Number of customers - end of period:						
Residential	2,936,777	2,954,095	1%	2,936,777	2,954,095	1%
Commercial and Industrial	244,959	241,036	(2%)	244,959	241,036	(2%)
Total	<u>3,181,736</u>	<u>3,195,131</u>	-	<u>3,181,736</u>	<u>3,195,131</u>	-

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

Competitive Natural Gas Sales and Services

	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
	2008	2009		2008	2009	
Results of Operations:						
Revenues	\$ 1,269	\$ 399	(69%)	\$ 3,632	\$ 1,596	(56%)
Expenses:						
Natural gas	1,225	396	68%	3,567	1,562	56%
Operation and maintenance	8	10	(25%)	26	30	(15%)
Depreciation and amortization	1	1	-	2	3	(50%)
Taxes other than income taxes	-	-	-	1	1	-
Total	1,234	407	67%	3,596	1,596	56%
Operating Income (Loss)	\$ 35	\$ (8)	(123%)	\$ 36	\$ -	(100%)

Competitive Natural Gas Sales and Services

Operating Data:

Throughput data in BCF	125	115	(8%)	392	370	(6%)
Number of customers - end of period	8,988	10,934	22%	8,988	10,934	22%

Interstate Pipelines

	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
	2008	2009		2008	2009	
Results of Operations:						
Revenues	\$ 143	\$ 153	7%	\$ 468	\$ 461	(1%)
Expenses:						
Natural gas	24	22	8%	97	85	12%
Operation and maintenance	47	47	-	93	123	(32%)
Depreciation and amortization	11	12	(9%)	34	36	(6%)
Taxes other than income taxes	6	8	(33%)	17	23	(35%)
Total	88	89	(1%)	241	267	(11%)
Operating Income	\$ 55	\$ 64	16%	\$ 227	\$ 194	(15%)

Pipelines Operating Data:

Throughput data in BCF						
Transportation	360	378	5%	1,145	1,235	8%

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

Field Services

	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
	2008	2009		2008	2009	
Results of Operations:						
Revenues	\$ 71	\$ 63	(11%)	\$ 191	\$ 176	(8%)
Expenses:						
Natural gas	5	18	(260%)	11	36	(227%)
Operation and maintenance	19	17	11%	48	54	(13%)
Depreciation and amortization	3	4	(33%)	9	11	(22%)
Taxes other than income taxes	-	1	-	2	3	(50%)
Total	<u>27</u>	<u>40</u>	(48%)	<u>70</u>	<u>104</u>	(49%)
Operating Income	<u>\$ 44</u>	<u>\$ 23</u>	(48%)	<u>\$ 121</u>	<u>\$ 72</u>	(40%)

Field Services Operating Data:

Throughput data in BCF

	2008	2009	% Diff	2008	2009	%
Gathering	<u>109</u>	<u>106</u>	(3%)	<u>311</u>	<u>312</u>	-

Other Operations

	Quarter Ended		% Diff Fav/(Unfav)	Nine Months Ended		% Diff Fav/(Unfav)
	September 30,			September 30,		
	2008	2009		2008	2009	
Results of Operations:						
Revenues	\$ 3	\$ 3	-	\$ 8	\$ 9	13%
Expenses	(4)	(2)	(50%)	(2)	5	(350%)
Operating Income	<u>\$ 7</u>	<u>\$ 5</u>	(29%)	<u>\$ 10</u>	<u>\$ 4</u>	(60%)

Capital Expenditures by Segment

(Millions of Dollars)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	2008	2009	2008	2009
Capital Expenditures by Segment				
Electric Transmission & Distribution	\$ 80	\$ 99	\$ 256	\$ 288
Hurricane Ike	141	8	141	26
Total Electric Transmission & Distribution	<u>221</u>	<u>107</u>	<u>397</u>	<u>314</u>
Natural Gas Distribution	57	44	151	121
Competitive Natural Gas Sales and Services	1	1	3	2
Interstate Pipelines	60	44	130	118
Field Services	31	113	77	217
Other Operations	5	9	18	18
Total	<u>\$ 375</u>	<u>\$ 318</u>	<u>\$ 776</u>	<u>\$ 790</u>

Interest Expense Detail

(Millions of Dollars)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	September 30,		September 30,	
	2008	2009	2008	2009
Interest Expense Detail				
Amortization of Deferred Financing Cost	\$ 6	\$ 9	\$ 18	\$ 27
Capitalization of Interest Cost	(3)	(1)	(10)	(4)
Transition Bond Interest Expense	34	32	102	98
Other Interest Expense	113	118	338	361
Total Interest Expense	<u>\$ 150</u>	<u>\$ 158</u>	<u>\$ 448</u>	<u>\$ 482</u>

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

	December 31, 2008	September 30, 2009
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 167	\$ 61
Other current assets	2,868	1,934
Total current assets	3,035	1,995
Property, Plant and Equipment, net	10,296	10,548
Other Assets:		
Goodwill	1,696	1,696
Regulatory assets	3,684	3,701
Other non-current assets	965	713
Total other assets	6,345	6,110
Total Assets	\$ 19,676	\$ 18,653
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Short-term borrowings	\$ 153	\$ 40
Current portion of transition bond long-term debt	208	221
Current portion of other long-term debt	125	339
Other current liabilities	2,362	1,712
Total current liabilities	2,848	2,312
Other Liabilities:		
Accumulated deferred income taxes, net and investment tax credit	2,632	2,775
Regulatory liabilities	821	916
Other non-current liabilities	1,172	1,235
Total other liabilities	4,625	4,926
Long-term Debt:		
Transition bond	2,381	2,160
Other	7,800	6,667
Total long-term debt	10,181	8,827
Shareholders' Equity	2,022	2,588
Total Liabilities and Shareholders' Equity	\$ 19,676	\$ 18,653

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 Statements of Consolidated Cash Flows
(Millions of Dollars)
(Unaudited)

	Nine Months Ended September 30,	
	2008	2009
Cash Flows from Operating Activities:		
Net income	\$ 359	\$ 267
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	561	591
Deferred income taxes	471	250
Write-down of natural gas inventory	24	6
Changes in net regulatory assets	(48)	19
Changes in other assets and liabilities	(608)	296
Other, net	(35)	8
Net Cash Provided by Operating Activities	<u>724</u>	<u>1,437</u>
Net Cash Used in Investing Activities	(991)	(582)
Net Cash Provided by (Used in) Financing Activities	<u>222</u>	<u>(961)</u>
Net Decrease in Cash and Cash Equivalents	(45)	(106)
Cash and Cash Equivalents at Beginning of Period	129	167
Cash and Cash Equivalents at End of Period	<u>\$ 84</u>	<u>\$ 61</u>

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