

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

	Houston Electric T&D					
	Three Months Ended June 30,		% Diff	Six Months Ended June 30,		% Diff
	2020	2019	Fav/Unfav	2020	2019	Fav/Unfav
Utility Revenues:						
TDU	\$ 672	\$ 672	—	\$ 1,272	\$ 1,267	—
Bond Companies	48	93	(48)%	86	187	(54)%
Total revenues	<u>720</u>	<u>765</u>	(6)%	<u>1,358</u>	<u>1,454</u>	(7)%
Expenses:						
Operation and maintenance, excluding Bond Companies	362	357	(1)%	720	723	—
Depreciation and amortization, excluding Bond Companies	101	94	(7)%	200	187	(7)%
Taxes other than income taxes	64	61	(5)%	128	123	(4)%
Bond Companies	41	84	51 %	72	168	57 %
Total expenses	<u>568</u>	<u>596</u>	5 %	<u>1,120</u>	<u>1,201</u>	7 %
Operating Income	<u>152</u>	<u>169</u>	(10)%	<u>238</u>	<u>253</u>	(6)%
Other Income (Expense)						
Interest expense and other finance charges	(43)	(42)	(2)%	(84)	(82)	(2)%
Interest expense on Securitization Bonds	(7)	(10)	30 %	(15)	(22)	32 %
Interest income	—	6	—	1	10	(90)%
Interest income from Securitization Bonds	—	1	—	1	3	(67)%
Other income (expense), net	1	(1)	200 %	4	(3)	233 %
Income From Continuing Operations Before Income Taxes	<u>103</u>	<u>123</u>	(16)%	<u>145</u>	<u>159</u>	(9)%
Income tax expense	16	23	30 %	21	29	28 %
Net Income	<u>\$ 87</u>	<u>\$ 100</u>	(13)%	<u>\$ 124</u>	<u>\$ 130</u>	(5)%
Actual GWH Delivered						
Residential	8,440	7,985	6 %	13,791	13,168	5 %
Total	23,160	24,018	(4)%	43,262	43,037	1 %
Weather (percentage of 10-year average for service area):						
Cooling degree days	103%	103%	— %	113%	101%	12 %
Heating degree days	74%	171%	(97)%	68%	93%	(25)%
Number of metered customers - end of period:						
Residential	2,275,006	2,217,326	3 %	2,275,006	2,217,326	3 %
Total	2,567,699	2,506,124	2 %	2,567,699	2,506,124	2 %

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

CenterPoint Energy, Inc. and Subsidiaries
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	Indiana Electric Integrated					
	Quarter Ended June 30,		% Diff Fav / Unfav	Six Months Ended June 30,		% Diff Fav / Unfav
	2020	2019		2020	2019 (1)	
Utility revenues	\$ 128	\$ 140	(9)%	\$ 257	\$ 223	15 %
Utility natural gas, fuel and purchased power	32	40	20 %	67	66	(2)%
Utility revenues less Utility natural gas, fuel and purchased power	96	100	(4)%	190	157	21 %
Expenses:						
Operation and maintenance	38	46	17 %	82	94	13 %
Depreciation and amortization	26	25	(4)%	51	41	(24)%
Taxes other than income taxes	4	4	—	8	6	(33)%
Goodwill impairment	—	—	—	185	—	—
Total expenses	68	75	9 %	326	141	(131)%
Operating Income (Loss)	28	25	12 %	(136)	16	(950)%
Other Income (Expense)						
Interest expense and other finance charges	(5)	(7)	29 %	(11)	(10)	(10)%
Other income, net	1	1	—	3	2	50 %
Income (Loss) From Continuing Operations Before Income Taxes	24	19	26 %	(144)	8	(1,900)%
Income tax expense	5	3	(67)%	8	1	(700)%
Net Income (Loss)	\$ 19	\$ 16	19 %	\$ (152)	\$ 7	(2,271)%
Actual GWH Delivered						
Retail	1,010	1,157	(13)%	2,088	1,861	12 %
Wholesale	58	94	(38)%	121	152	(20)%
Total	1,068	1,251	(15)%	2,209	2,013	10 %
Number of metered customers - end of period:						
Residential	129,761	128,167	1 %	129,761	128,167	1 %
Total	148,823	147,076	1 %	148,823	147,076	1 %

(1) Represents February 1, 2019 through June 30, 2019 results only due to the Merger.

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	Natural Gas Distribution					
	Three Months Ended June 30,		% Diff Fav/Unfav	Six Months Ended June 30,		% Diff Fav/Unfav
	2020	2019		2020	2019 (1)	
Utility revenues	\$ 628	\$ 660	(5)%	\$ 1,934	\$ 2,059	(6)%
Non-utility revenues	13	13	—	25	29	(14)%
Total revenues	641	673	(5)%	1,959	2,088	(6)%
Utility natural gas, fuel and purchased power	170	220	23 %	744	991	25 %
Non-utility cost of revenues, including natural gas	7	8	13 %	13	18	28 %
Revenues less Utility natural gas, fuel and purchased power and Non-utility cost of revenue	464	445	4 %	1,202	1,079	11 %
Expenses:						
Operation and maintenance	232	244	5 %	499	554	10 %
Depreciation and amortization	113	107	(6)%	224	202	(11)%
Taxes other than income taxes	56	46	(22)%	123	106	(16)%
Total expenses	401	397	(1)%	846	862	2 %
Operating Income	63	48	31 %	356	217	64 %
Other Income (Expense)						
Interest expense and other finance charges	(29)	(24)	(21)%	(61)	(47)	(30)%
Interest income	2	—	—	3	1	200 %
Other expense, net	—	—	—	(2)	(1)	(100)%
Income From Continuing Operations Before Income Taxes	36	24	50 %	296	170	74 %
Income tax expense	3	1	(200)%	59	27	(119)%
Net Income	\$ 33	\$ 23	43 %	\$ 237	\$ 143	66 %
Throughput data in BCF						
Residential	32	30	7 %	139	144	(3)%
Commercial and industrial	87	102	(15)%	233	238	(2)%
Total Throughput	119	132	(10)%	372	382	(3)%
Weather (average for service area)						
Percentage of 10-year average:						
Heating degree days	121%	93%	28 %	90%	101%	(11)%
Number of customers - end of period:						
Residential	4,282,921	4,195,222	2 %	4,282,921	4,195,222	2 %
Commercial and industrial	348,661	347,092	-	348,661	347,092	—
Total	4,631,582	4,542,314	2 %	4,631,582	4,542,314	2 %

(1) Includes acquired natural gas operations February 1, 2019 through June 30, 2019 results only due to the Merger.

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	Midstream Investments					
	Quarter Ended June 30,		% Diff	Six Months Ended June 30,		% Diff
	2020	2019	Fav/Unfav	2020	2019	Fav/Unfav
Non-utility revenues	\$ —	\$ —	—	\$ —	\$ —	—
Taxes other than income taxes	—	—	—	(1)	—	—
Total expenses	—	—	—	(1)	—	—
Operating Income	—	—	—	1	—	—
Other Income (Expense)						
Interest expense and other finance charges	(13)	(14)	7 %	(27)	(26)	(4)%
Equity in earnings (loss) from Enable, net	43	74	(42)%	(1,432)	136	(1,153)%
Interest income	1	3	(67)%	1	5	(80)%
Income (Loss) From Continuing Operations Before Income Taxes	31	63	(51)%	(1,457)	115	(1,367)%
Income tax expense (benefit)	7	13	46 %	(354)	41	963 %
Net Income (Loss)	<u>\$ 24</u>	<u>\$ 50</u>	(52)%	<u>\$ (1,103)</u>	<u>\$ 74</u>	(1,591)%
	Corporate and Other					
	Three Months Ended June 30,		% Diff	Six Months Ended June 30,		% Diff
	2020	2019	Fav/Unfav	2020	2019 (1)	Fav/Unfav
Non-utility revenues	\$ 86	\$ 80	8 %	\$ 168	\$ 122	38 %
Non-utility cost of revenues, including natural gas	62	53	(17)%	120	90	(33)%
Non-utility revenues less Non-utility cost of revenues, including natural gas	24	27	(11)%	48	32	50 %
Expenses:						
Operation and maintenance	8	22	64 %	13	46	72 %
Depreciation and amortization	18	14	(29)%	35	28	(25)%
Taxes other than income taxes	5	2	(150)%	7	4	(75)%
Total expenses	31	38	18 %	55	78	29 %
Operating Loss	(7)	(11)	36 %	(7)	(46)	85 %
Other Income (Expense)						
Gain (loss) on marketable securities	75	64	17 %	(69)	147	(147)%
Gain (loss) on indexed debt securities	(76)	(68)	(12)%	59	(154)	138 %
Interest expense and other finance charges	(67)	(94)	29 %	(163)	(178)	8 %
Interest income	27	39	(31)%	75	85	(12)%
Other income, net	18	7	157 %	29	17	71 %
Loss From Continuing Operations Before Income Taxes	(30)	(63)	52 %	(76)	(129)	41 %
Income tax benefit	(2)	(25)	(92)%	(52)	(69)	(25)%
Net Loss	<u>\$ (28)</u>	<u>\$ (38)</u>	26 %	<u>\$ (24)</u>	<u>\$ (60)</u>	60 %

(1) Includes acquired corporate and other operations February 1, 2019 through June 30, 2019 results only due to the Merger.

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	Capital Expenditures by Segment			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019 (1)
Houston Electric T&D	\$ 232	\$ 248	\$ 514	\$ 483
Indiana Electric Integrated	66	52	114	89
Natural Gas Distribution	312	283	550	449
Corporate and Other	22	26	48	94
Continuing Operations	\$ 632	\$ 609	1,226	1,115
Discontinued Operations	—	25	21	47
Total Capital Expenditures	<u>\$ 632</u>	<u>\$ 634</u>	<u>\$ 1,247</u>	<u>\$ 1,162</u>

(1) Includes capital expenditures of acquired businesses from February 1, 2019 through June 30, 2019 only due to the Merger.

	Interest Expense Detail			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Amortization of Deferred Financing Cost	\$ 8	\$ 7	\$ 15	\$ 14
Capitalization of Interest Cost	(7)	(10)	(13)	(19)
Securitization Bonds Interest Expense	7	10	15	22
Other Interest Expense	127	137	265	260
Total Interest Expense	<u>\$ 135</u>	<u>\$ 144</u>	<u>\$ 282</u>	<u>\$ 277</u>

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